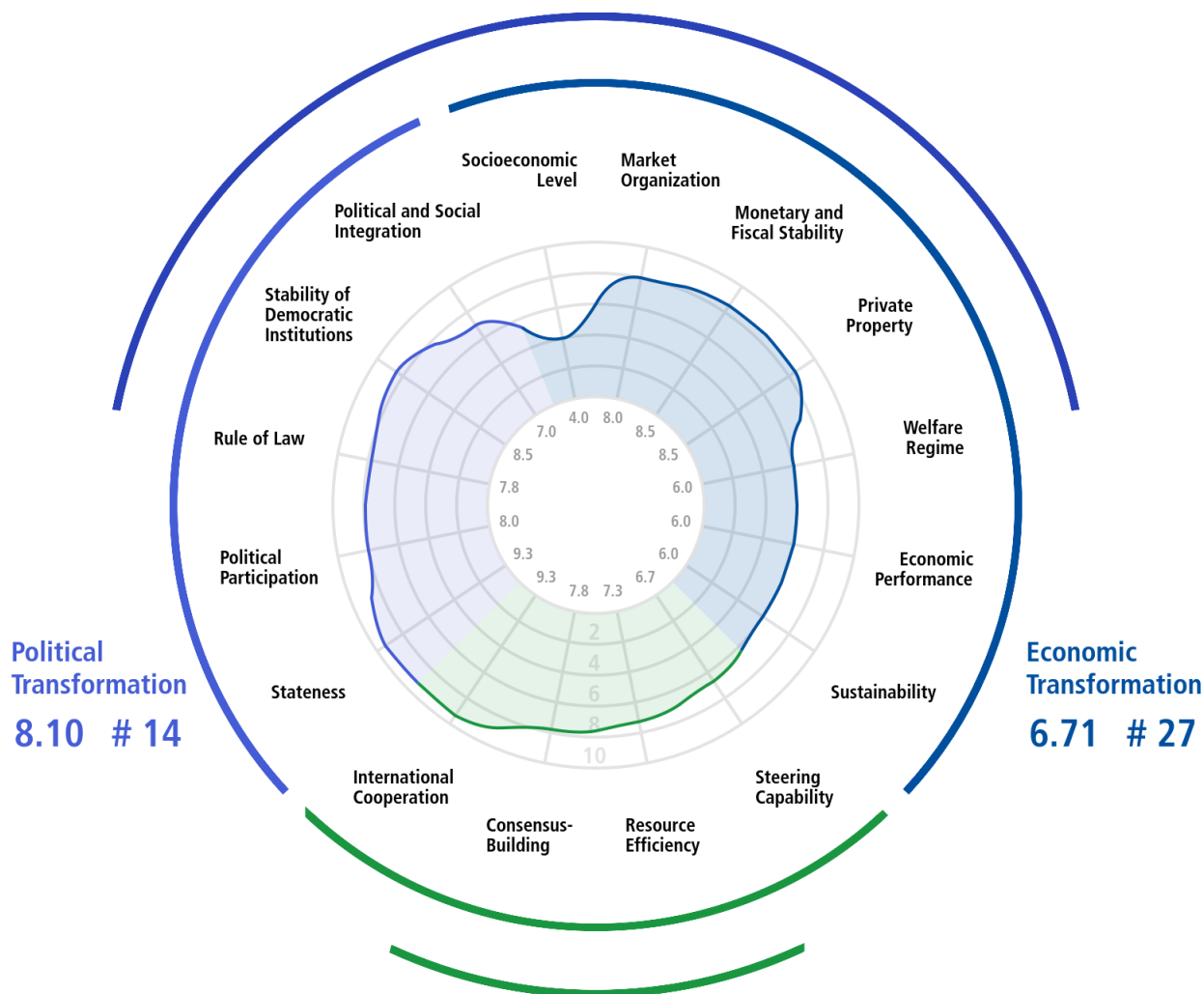


Botswana

Status Index

7.41 # 19

on 1-10 scale out of 137



Political Transformation
8.10 # 14

Economic Transformation
6.71 # 27

Governance Index

6.69 # 11

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	2.6	HDI	0.693	GDP p.c., PPP \$	18323
Pop. growth ¹	% p.a.	1.6	HDI rank of 189	117	Gini Index	53.3
Life expectancy	years	61.1	UN Education Index	0.685	Poverty ³	% 38.0
Urban population	%	72.2	Gender inequality ²	0.468	Aid per capita \$	37.3

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Botswana's reputation as a model of democracy, good governance, and strong economic management has been more or less maintained during Mokgweetsi Masisi's presidency. This achievement in terms of democratic transformation has been realized through the government's dedication to consulting various stakeholders through, for example, the Kgotla system (community councils). The commitment to free and fair elections has also been reaffirmed through recent by-elections, most of which saw the ruling party lose to the opposition. Additionally, the media enjoys freedom of expression, despite the absence of a freedom of information law.

Furthermore, Botswana upholds the rule of law, as demonstrated by several unfavorable judgments against the state, despite recent incidents that raised doubts about the independence of the judiciary. The eagerly anticipated constitutional review was recently concluded at the end of 2022 after a series of nationwide consultations with communities. However, the constitutional review faced challenges, including inadequate public education efforts, leading to many citizens being unaware of their role during the consultations. Moreover, the taskforce responsible for recommendations overlooked certain reforms proposed by citizens, such as the direct election of the president, opting instead to maintain the current indirect election process.

On a positive note, the recommended state funding of political parties is a reform that would provide opposition parties with some resources to compete with the ruling party. Additionally, the recommendation to establish more administrative districts improves democratic participation through decentralization, enabling citizens to access services within shorter distances.

On the economic front, the government's commitment to reviving the economy following the COVID-19 pandemic is affirmed through the Reset Agenda. The Reset Agenda's fourth priority focuses on "unlocking more value in key sectors such as mining, tourism, agriculture and education through the innovation and creativity of youth." This priority aims to accelerate economic diversification, empower youth and increase employment opportunities. To achieve this,

the government has taken the initiative to promote foreign direct investment by attracting investors to establish businesses in Botswana. Another initiative is to encourage the growth of local businesses by implementing bans on imports such as vegetables, bottled water, some dairy products, and most recently, school uniforms.

The government continues to exercise prudent economic management as it is committed to debt servicing, cutting spending to offset its deficit, and growing the economy by increasing its revenue base. The government's transitional budget, which sets aside BWP 65 billion for projects, is one of the political leadership's commitments to grow the economy and create employment for many graduates. Unemployment is poised to grow amid looming parastatal retrenchments.

However, a heavy dependence on diamond revenue and the slow pace of economic diversification remain daunting challenges to the government's efforts to grow the economy. As a result, several social ills and challenges proliferate due to high unemployment rates, including escalating crime rates, widening poverty and inequalities. Finally, the government continues to position the country well on the regional and international stage through active participation in regional and international affairs.

History and Characteristics of Transformation

Botswana's political transformation preceded its economic transformation by a few years. The first parliamentary elections were held in March 1965, more than a year before the country achieved independence from the United Kingdom. The Botswana Democratic Party (BDP) and its leader, Seretse Khama, emerged victorious in these elections. Since then, the BDP has consistently won every general election, including the 12th election in 2019. However, the 2019 election saw accusations of fraud from the opposition, leading to unsuccessful court challenges in several constituencies.

Botswana has a remarkable record of being Africa's longest-standing multiparty democracy. After Seretse Khama's passing in 1980, Vice President Ketumile Masire assumed leadership. Acting in line with the constitution, Masire stepped down in 1998 and was succeeded by Festus Mogae, who served as president until March 2008. Mogae then handed over the presidency to Vice President Ian Khama, Seretse Khama's son, who served for a decade until his succession by Vice President Mokgweetsi Masisi in April 2018, as per the constitution. The Botswana Democratic Party (BDP), which has successfully delivered political freedom and economic development, enjoys strong support among the rural population and the majority of the Tswana people – and has thus remained in power. The BDP has managed to maintain its grip on power partly due to the limited strength of opposition parties, which have a weak rural voter base. However, it's worth noting that the BDP's share of the popular vote has been steadily declining. The combined support for opposition parties had been steadily increasing until the late 1990s when it stabilized at around 47% of the popular vote. In 2014, it marginally rose to 50%, but this wasn't sufficient to win political power. In 2019, the opposition's combined vote dropped to 45%, while the BDP's share increased slightly

to 53%. Notably, a public dispute between President Masisi and former President Ian Khama led to Khama's departure from the BDP and the formation of the Botswana Patriotic Front (BPF) in 2019. Additionally, the BDP lost control over one of its strongholds, the Central District, for the first time in the 2019 elections. However, factionalism and the "first past the post" electoral system have hindered opposition parties from gaining significant ground.

Even though the country has maintained a multiparty democracy, the BDP has consistently dominated general elections, including the 2019 polls. This dominance is attributed to an uneven electoral playing field that favors the ruling party, a fragmented and weak opposition, and the First Past the Post electoral system. The BDP's track record in government, which lifted Botswana from poverty to an upper-middle-income status, has also contributed to its continued electoral success.

In 2010, the BDP experienced a historic split when a faction that was disgruntled with former President Ian Khama's authoritarian leadership broke away to form the Botswana Movement for Democracy. The party split for the second time before the 2019 general election when Ian Khama left the BDP and inspired the formation of the Botswana Patriotic Front.

Regarding democratic reforms, Masisi's rise to power in 2018 marked a departure from the previous Khama regime characterized by authoritarianism, media censorship and a lack of consultation. Masisi's reforms have included greater freedom for journalists, engagement with civil society organizations, and a recently concluded constitutional review. Among the review's recommendations are state funding of political parties and the creation of more administrative districts to strengthen democracy. However, Botswana's respect for the rule of law has faced scrutiny due to concerns over the judiciary's independence. Observers have raised questions about the allocation of judges in high-profile cases where the executive has vested interests.

Economically, Botswana's transformation began with the extraction of extensive diamond deposits in the early 1970s, which led to remarkable economic growth. The country shifted from being one of the world's 25 poorest nations to a middle-income country. From 1977 to 1987, Botswana's GDP grew by an average of 12% annually in real terms. In the final decade of the 20th century, per capita GDP increased by more than 5% annually in real terms. The government has actively pursued economic diversification, foreign direct investment and support for local industries to reduce dependence on diamond mining. Recent initiatives, such as a national e-commerce strategy and the reopening of the BCL mine in Selibe Phikwe as a Special Economic Zone, aim to create employment opportunities and foster economic growth.

Furthermore, in recent times, the government has implemented various import bans on items like vegetables, water, dairy products and, more recently, school uniforms. These measures aim to support local manufacturers and encourage local businesses and entrepreneurs. Additionally, the challenges posed by the COVID-19 pandemic have created opportunities for local businesses to produce essential supplies such as masks and sanitizers. There are also plans for the construction of a medical and industrial gas company in Selibe Phikwe.

Despite these initiatives aimed at boosting the country's GDP and creating employment opportunities, Botswana continues to grapple with significant issues, including high unemployment, poverty, inequality and rising inflation. Moreover, there has been a concerning increase in reports of grand corruption, despite President Masisi's commitments to combat it.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The state's monopoly on the use of force extends across most of Botswana's territory. State security agencies such as the Botswana Defense Force, the Directorate on Intelligence and Security Services and the Botswana Police work together to maintain law and order throughout the country and to protect the territorial integrity and security of the country from external threats.

With the exception of some sensitivities related to ethnic differences, which have led certain tribal groups to advocate for the recognition and promotion of their culture and languages, the majority of groups in Botswana generally agree on matters of citizenship and accept the legitimacy of the nation-state. After gaining independence from Britain in 1966, the founding president, Sir Seretse Khama, and his government worked to create a unified nation-state centered around the eight major Tswana dominant groups, with Setswana declared as one of the official languages. While some groups do raise concerns and seek recognition for their languages in the country's laws, they do not dispute the concept of citizenship or the legitimacy of the nation-state.

Botswana is a secular state, and religion does not influence politics or the laws of the country. The state is neutral in matters of religion, and people are free to practice their religious beliefs. This is despite the fact that the country is predominantly Christian. Thus, the state's legal order and political institutions are clearly defined and independent from religious influence.

Question
Score

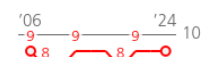
Monopoly on the
use of force

10



State identity

9



No interference of
religious dogmas

10



The state's basic administrative structures are operational and widely accessible. The government has invested in basic health care, education, electricity, water and sanitation. In addition, the government is able to provide services such as tax revenue collection and law enforcement through widely dispersed government departments in the country. A total of 99.2% of the population have access to basic water, 80% have access to basic sanitation, and 72% have access to electricity.

However, challenges do remain where certain areas are still lacking behind in infrastructural development, and some citizens have to access services in major administrative districts. The other challenge is the slow integration of different state administrative structures, which sometimes negatively impacts the efficient implementation and delivery of services.

2 | Political Participation

Botswana has established a tradition of conducting periodic general elections every five years since gaining independence in 1966. The country upholds universal suffrage with secret balloting, allowing citizens of voting age (18 years and older) with a valid national identification card to exercise their constitutional right to vote. Additionally, Botswana operates as a multiparty democracy, wherein political parties vie for state power during general elections and political positions are filled based on the electoral outcome.

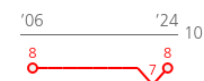
However, Botswana's electoral democracy continues to face challenges, particularly in terms of the quality of elections. The independence of the Independent Electoral Commission (IEC) is compromised due to executive influence, specifically in the exclusive appointment of the IEC chairperson by the president. Moreover, the president holds substantial sway in the process of issuing election writs. Transparency in the counting procedures further contributes to a decline in the quality of elections. Ballot boxes, for example, are transported to counting centers for vote tabulation, and, on occasion, opposition parties express concerns about inadequate resources to track all the ballot boxes across the country.

This issue was particularly evident in the most recent national elections held in 2019, during which the opposition coalition, the Umbrella for Democratic Change, and its leader, Duma Boko, challenged the electoral results, citing widespread vote rigging. However, the High Court of Appeal ultimately dismissed the appeal on the grounds that it lacked jurisdiction over the case.

The lack of state funding for political parties gives an unfair advantage to the ruling party, which has access to state resources, while the opposition relies on contributions and donations from members.

Basic administration

8



1

Free and fair elections

8



1

One of the challenges of elections in Botswana is the uneven playing field characterized by unfair access to state media. The ruling party, its president, and candidates dominate newspaper and broadcast news coverage, and opposition parties are given very little time. Additionally, the advantages enjoyed by the ruling party allow them to transport voters to polling stations. While polling stations are generally widely available, opposition parties have raised concerns about the proximity of some stations, which discourages their supporters from voting due to distance. Citizens also complain about long queues at certain polling stations. Nonetheless, polling stations ensure that voters cast their secret ballots to the best of their ability.

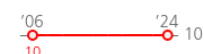
Elected representatives who form government have unfettered power to govern. Despite issues related to fairness, election outcomes are generally respected by citizens, opposition parties, civil society and other stakeholders. Thus, the government enjoys the effective power to govern without any interference from any group that may claim to challenge the power and authority of the government. In fact, there are no groups with the power to undermine Botswana's democratic procedures.

The constitution guarantees the freedom of association, and citizens typically have the right to establish political and civic groups. These groups can register with the Registrar of Societies through a transparent process, allowing citizens to assemble and participate in these groups without government interference. However, recent events have raised concerns about the government's respect for citizens' right to assemble. Specifically, there have been incidents in the Central District, such as the disruption of kgotla meetings in Serowe by armed police officers who claimed to be acting on the president's orders to disperse the community. The community had gathered to discuss various issues, including matters related to chieftainship and their self-exiled paramount chief, former President Ian Khama.

Freedom of expression is one of the constitutionally protected rights in Botswana. To a greater extent, citizens, organizations and the media enjoy the right to express themselves without harassment from government and state security agencies. Moreover, Botswana's media system is structured to promote diversity and a wide range of opinions. For instance, the IPI Global Network acknowledges the presence of space for critical media and independent journalism in Botswana. However, challenges to freedom of expression persist due to the absence of a freedom of information law, which hinders access to public information. Moreover, recent events have raised concerns about the extent to which freedom of expression is enjoyed. Notably, the ruling party has attempted to pass a law that criminalizes the disrespectful use of the president's name, including insults or derogatory references. Furthermore, there have been instances resembling state censorship of the media, as a fact-finding mission by the IPI Global Network revealed that public media often serves as a mouthpiece for the ruling BDP and falls short of the standards expected

Effective power to govern

10



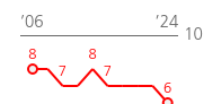
Association / assembly rights

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Freedom of expression

6



from public media. Additionally, private media can be subject to both state censorship and self-censorship by journalists due to their reliance on government advertising. Occasionally, state security agencies seize journalists' equipment, including laptops and phones, without proper warrants, which serves to intimidate, censor and restrict press freedom. Even more concerning are deliberate lawsuits initiated by the government to punish and stifle private press through resource constraints in response to their critical reporting on government actions.

3 | Rule of Law

The constitution clearly defines the roles of the state, establishing the legislative, executive, and judicial branches of government and outlining their respective powers. As a result, these functions are generally carried out in accordance with the law. However, there are instances where the executive branch oversteps its authority, encroaching upon the powers of both the judiciary and the legislature.

Specifically, the constitution grants the president exclusive authority to appoint the judge president of the Court of Appeal, the chief justice and judges. While the president's decisions are based on recommendations from the Judicial Services Commission, the president retains the power to make the final selection from the recommended candidates.

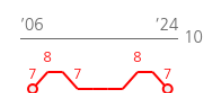
Furthermore, the principle of the separation of powers in Botswana faces challenges due to executive interference in the legislature. The parliament in Botswana lacks independence, as it relies on the executive branch for its budget. Additionally, Botswana's political system weakens parliament because more than half of its members also hold positions in the cabinet. This arrangement hinders parliament's ability to effectively hold the executive branch accountable for its actions.

Botswana is lauded for maintaining an independent judiciary capable of functioning and interpreting the law. The judiciary encompasses a range of courts, from lower-level ones to the High Court of Appeal.

Judges, for the most part, operate independently when carrying out their judicial duties and are not unduly influenced by external factors, including the executive branch. However, the appointment of judges, the chief justice, and the judge president (i.e., the head of the highest court in the country, the Court of Appeal) by the state president remains a point of concern as it can potentially compromise the judiciary's independence. It's important to note that while the government is responsible for appointing judges, this does not imply that they can be arbitrarily dismissed by the executive. Therefore, the judiciary's independence is effectively safeguarded despite these appointment procedures.

Separation of powers

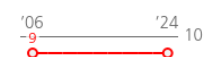
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Independent judiciary

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Corruption and abuse of office by public officials pose significant challenges in Botswana. The Directorate on Corruption and Economic Crime is responsible for investigating corruption cases and referring them to the Directorate of Public Prosecutions. However, there is concern over the slow pace of prosecution, leading to some public servants, particularly senior politicians, evading justice as their cases drag on for extended periods.

Another factor that further delays and compromises accountability for public officers is the frequent changing of judges due to conflict of interest claims. The rule of law is also undermined by conflicts of interest when senior politicians engage in insider trading by awarding government tenders to close family and friends. This issue became particularly pronounced during the COVID-19 crisis. For example, the Auditor-General's report highlights that, during the COVID-19 state of emergency, certain local companies were directly appointed to supply testing kits and personal protective equipment, totaling over BWP 47 million and BWP 32 million, respectively. However, at the time of the audit's completion, these two companies had not fully delivered the goods. Additionally, there were instances of political patronage, where some ministers collected, stored and distributed food donations intended to support people during lockdowns.

It should be emphasized that investigations of alleged unethical behavior on the part of senior public servants are rare. In the few cases where high-ranking public officials have been prosecuted, they have generally received lighter sentences.

Sections 3 and 15 of the constitution of Botswana provide for the protection of fundamental human rights and civil liberties. These provisions ensure that citizens' rights are protected by the law, shielding them from violations by both individuals and the state. In cases where their rights and liberties are infringed upon, citizens have the right to seek legal recourse before the courts.

However, challenges persist, particularly in terms of equal treatment before the law. Often, ordinary citizens face lengthy legal processes, while elites either receive more lenient sentences or evade justice, even in clear cases where they have violated the rights of others. Additionally, the cost of seeking legal redress in the courts is prohibitively expensive for ordinary citizens. Furthermore, delays in the court system further hinder citizens from obtaining justice when their rights are violated.

Prosecution of office abuse

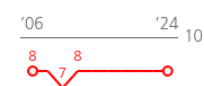
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Civil rights

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4 | Stability of Democratic Institutions

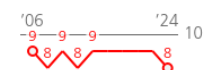
Botswana boasts functioning democratic institutions, both at the national and local government levels. The legislative, executive and judicial branches of government are clearly defined and established by law. This framework allows institutions like parliament, the executive and the judiciary to carry out their functions without undue influence that might hinder their performance. The bureaucracy, which is the executive's operational arm, is responsible for service delivery at both national and local government levels. Local government councils are tasked with providing services to communities, given their proximity to the people.

However, various challenges affect the smooth operation of these institutions. For instance, there are occasional issues of power encroachment at the national level, where the executive undermines the independence of parliament, thus infringing upon the principle of the separation of powers. Similarly, local government exists under the authority of the central government, meaning that the central government can decide to take over some of the functions delegated to local government. An example of this is recent friction over land administration between the state and certain tribal administrations, where some tribes have made claims to large parcels of land and the state has sought to assert control over these lands. Additionally, there have been disputes among some tribes concerning the use of the kgotla institution, with the state dismissing certain gatherings it deemed to be political in nature.

Democratic institutions are, to a greater degree, accepted as legitimate by all the relevant actors in society. These institutions are recognized as having the legal basis to exist, and citizens have access to them.

Performance of democratic institutions

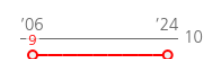
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Commitment to democratic institutions

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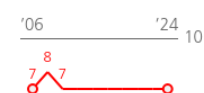
5 | Political and Social Integration

Botswana operates as a multiparty democracy where multiple political parties vie for control of the government. However, the country has primarily experienced a dominant party system for several reasons. These include a fragmented opposition, poorly organized and institutionalized opposition parties, and the ruling party's exclusive access to the benefits of being in power.

The stability of the party system in Botswana is somewhat limited. While there is moderate fragmentation among parties, they tend to lack significant ideological polarization or fundamental differences. Parties also have strong social foundations, but clientelism is notably prevalent within the governing Botswana Democratic Party

Party system

7



1

(BDP) due to its control over state resources. The BDP occasionally utilizes state resources and donations from private companies for clientelist and campaign purposes. In contrast, opposition parties often have limited resources, resulting in lower levels of clientelism among them.

Voter volatility in Botswana is generally low to moderate, as evidenced by the consistent return of the BDP to power in successive elections. However, it's important to acknowledge that although the opposition has not consistently positioned itself as a viable alternative to the BDP, opposition parties have made efforts to unite in order to present a more formidable challenge to the ruling party, with varying degrees of success. Nevertheless, these coalitions often face difficulties and tend to collapse either before or after elections.

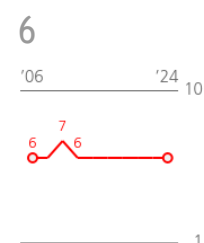
Interest group representation in Botswana is rather limited in scope. In general, civil society in Botswana lacks strength, and there is a noticeable absence of dynamic social movements and community organizations with the capacity to effectively represent the interests of their members. While a few active interest groups and professional associations exist, such as labor unions, these groups are relatively more effective at aggregating the interests of their members and facilitating negotiations with the government. However, a significant challenge lies in the lack of cooperation among these interest groups, which weakens their collective influence and makes them susceptible to government dominance.

Furthermore, many of these organizations rely on government funding, which further diminishes their ability to effectively represent the interests of their members and advocate for their causes.

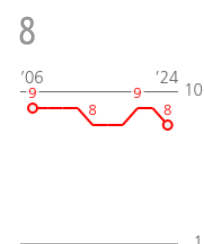
There is a strong belief in democracy as a system of governance in Botswana. Historically, democracy has been practiced in Tswana society through the kgotla institution, which facilitates deliberation on various issues. The Afrobarometer survey, a reputable source for African public opinions on governance, the economy and society, also confirms that Botswana endorse democratic norms and procedures.

According to the latest Afrobarometer data, a significant majority of citizens, 75%, express a preference for democracy. However, only three in ten, or 30%, are satisfied with the way democracy functions in Botswana. Despite this, citizens generally express approval of democratic institutions, even though confidence in some of these institutions has seen a decline. Approximately 47% trust the president, just over half, 55%, trust parliament and half of the citizens have confidence in the Independent Electoral Commission. Moreover, 56% of citizens trust local councilors, 42% trust the ruling party, while 60% express trust in opposition parties. There is a relatively high level of trust in the courts of law, with 73% of citizens placing their trust in them, as well as in the army (79%) and the police (68%).

Interest groups



Approval of democracy



Botswana has a relatively high level of social capital, as evidenced by the presence of trust among citizens. In general, people in Botswana tend to trust others and readily participate in various voluntary associations, such as rotating savings and credit schemes, burial support clubs and other social clubs. According to the latest Afrobarometer data, 70% of citizens express trust in their neighbors, while 74% indicate trust in their relatives. Moreover, 74% of citizens trust fellow citizens in general.

However, it's important to note that social trust capital can be gradually eroded within certain voluntary associations, particularly those involving financial contributions. In these cases, some members may engage in unethical behavior, leading to disputes and a decline in overall trust within these associations.

Social capital

7

'06 _____ '24 10



_____ 1

II. Economic Transformation

6 | Level of Socioeconomic Development

Botswana experienced rapid economic development from the 1980s onwards, following the discovery of diamonds in the early 1970s. The country became the fastest-growing economy globally, and by 2005, the World Bank classified Botswana as an upper-middle-income country. The government wisely invested diamond revenues in infrastructure, education and health care.

However, despite Botswana's economic progress, driven by diamond mining, the nation faces significant socioeconomic challenges. It remains one of the world's most unequal societies, with a Gini index score of 53.3, according to the World Bank. This high level of income inequality results from substantial disparities between high- and low-income individuals.

Botswana also contends with a poverty rate of 56.6% and a youth unemployment rate of around 26%. The country's overall socioeconomic development, as indicated by the 2021 Human Development Index (HDI), falls within the category of Medium HDI countries, with a score of 0.693.

Various indicators point to exclusion from economic participation. Despite the government's non-discriminatory developmental approach, certain areas still lag behind in terms of infrastructure and access to services. Youth unemployment remains a challenge, primarily because the government is the main employer. However, President Masisi's current administration has intensified efforts to promote youth and women's empowerment through targeted policies and programs. These initiatives include substantial investments in tertiary education financing, a national service scheme, a youth development fund and an internship program.

Question
ScoreSocioeconomic
barriers

4

'06 _____ '24 10



_____ 1

Despite government efforts to achieve gender parity in education and employment, gender inequality remains a significant issue in Botswana's economy. A 2021/2022 Afrobarometer study revealed that fewer than half of Botswana approve of the government's performance in promoting equal rights and opportunities for women, with a majority calling for more action. Moreover, the 2021/2022 Human Development Report indicates that Botswana's Gender Inequality Index stands at 0.468, with the country ranked 117th in the world in this regard.

Economic indicators		2019	2020	2021	2022
GDP	\$ M	16725.9	14960.3	18737.1	20352.3
GDP growth	%	3.0	-8.7	11.9	5.8
Inflation (CPI)	%	2.8	1.9	7.2	11.7
Unemployment	%	20.1	21.0	21.2	20.7
Foreign direct investment	% of GDP	0.6	0.2	-1.7	1.1
Export growth	%	-8.8	-18.6	31.7	-5.6
Import growth	%	11.6	5.0	2.3	-11.8
Current account balance	\$ M	-1154.9	-1531.3	-250.1	606.4
Public debt	% of GDP	16.5	18.7	18.7	18.0
External debt	\$ M	1565.1	1597.4	1981.5	-
Total debt service	\$ M	196.9	183.2	161.9	-
Net lending/borrowing	% of GDP	-4.2	-9.6	-0.1	-
Tax revenue	% of GDP	21.1	22.3	22.2	-
Government consumption	% of GDP	31.6	36.1	31.6	27.7
Public education spending	% of GDP	8.4	8.1	-	-
Public health spending	% of GDP	4.4	4.6	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	3.1	3.3	3.0	2.7

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Botswana operates as a free market economy that encourages market competition. The private sector plays a significant role in the economy, and pricing is largely determined by the forces of supply and demand in the market. Recognizing the vital role of the private sector, the government has actively sought to attract FDI by enticing investors from various countries to establish businesses in Botswana. To facilitate FDI, the government has taken steps to improve the ease of doing business. This includes initiatives such as online business registration and reducing the time required to register businesses.

According to the Botswana Investment and Trade Center Report (2022), Botswana offers numerous incentives for investors, including no restrictions on business ownership, negotiable tax holidays of up to 10 years, and the ability to repatriate profits and dividends. The government also allows for the cross-border movement of labor, capital and currency convertibility. Moreover, various measures have been introduced under the newly established Botswana One Stop Service Center to expedite and improve the ease of doing business. As of 2022, Botswana has been ranked as the third-freest economy in Africa by the Heritage Foundation.

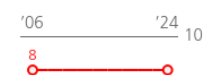
The country also has a considerable number of informal sector businesses that are subject to some degree of regulation, including the requirement to obtain licenses from local councils to operate. Generally, since Botswana imports a large portion of its commodities, there are no significant barriers to entry for most goods. However, recent import bans on certain items, such as school uniforms, aimed at promoting local manufacturing have raised concerns locally about the competitiveness of domestic manufacturers. Additionally, government regulations and administrative processes can sometimes slow down business operations in Botswana.

Botswana has a legal framework in place that is able to protect competition, to some extent. The Competition and Consumer Authority, operating under the Ministry of Investment, Trade and Industry, is tasked with preventing economic monopolies and anti-competitive practices. This authority is also responsible for promoting fair competition in the market and safeguarding consumer rights by investigating, prohibiting and controlling unfair business practices.

The government actively encourages free competition, and it does not discriminate between local and foreign-based companies. However, there is room for improvement in terms of regulating monopolies, particularly in sectors like diamond mining and tourism. These industries are largely dominated by companies such as De Beers and Wilderness Safaris. Further efforts could be made to minimize monopolistic control in these key sectors.

Market organization

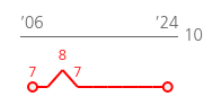
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Competition policy

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Botswana has been progressively liberalizing its foreign trade policies, which include actively encouraging FDI and promoting free trade. On a regional level, as a member state of the Southern African Development Community (SADC), Botswana is part of the SADC's Free Trade Area (FTA), established in 2008. This FTA facilitates trade among member states by eliminating tariffs on at least 85% of the traded goods.

Furthermore, Botswana imposes relatively low tariffs on imports. According to WTO data from 2022, the Simple Average Most-Favored-Nation (MFN) applied score for Botswana in 2021 was 7.7, indicating its commitment to keeping tariffs at reasonable levels.

In its efforts to attract FDI, Botswana has generally avoided overly restrictive protectionist policies that could impede trade. However, recently, the government has introduced import bans on certain commodities in order to promote local production.

Botswana has established a well-functioning banking system and capital market that is open to both domestic and foreign capital. The country's central bank, the Bank of Botswana, is responsible for maintaining monetary and financial stability. Several local and international commercial banks operate in Botswana under the regulation and supervision of the Bank of Botswana. These banks are authorized to operate upon the successful completion of the banking license application process. The banking sector adheres to clearly defined rules and standards.

The Bank of Botswana, in line with international standards outlined in the Basel Accords, regulates and supervises banks, determines the bank rate, regulates the payment system and manages risks. Additionally, the Non-Banking Financial Institutions Regulatory Authority (NBFIRA) oversees capital markets and fulfills its broader regulatory role concerning non-banking financial institutions.

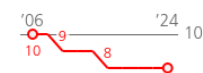
Regarding capital adequacy, the Bank of Botswana stipulates that a minimum startup capital of BWP 5 million is required, and the prudential capital adequacy ratio is set at 12.5%. Promoters of applicant banks must demonstrate their willingness and ability to provide additional financial support when necessary.

Botswana maintains a stable and predictable institutional framework that has garnered favorable credit ratings from international institutions such as Standard and Poor's. The monetary policy framework further supports macroeconomic stability.

Recent financial sector reforms have been proposed in Botswana. The 2022 budget speech highlights the passage of the revamped Financial Intelligence Bill, the Movable Assets (Security Interests) Bill, and the Virtual Assets Bill by parliament. Other key legal reforms, including amendments to the Retirement Funds Act, the Bank of Botswana and Banking Acts, the NBFIRA Act, and the Public Finance Management (PFM) Act, are still pending. These reforms aim to enhance accountability in Botswana's financial sector.

Liberalization of foreign trade

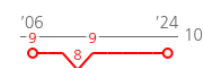
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Banking system

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8 | Monetary and fiscal stability

Monetary stability in Botswana is overseen by the Bank of Botswana, which also closely monitors the level of inflation in the country. Despite inflation reaching 8.7% in 2021, primarily driven by soaring fuel prices, the Bank of Botswana maintained the bank rate at 3.75%, reaffirming its commitment to a monetary policy stance that supports economic recovery. In the 2022 budget speech, it was mentioned that the Bank of Botswana had projected a gradual decrease in domestic inflation throughout 2022, with the aim of returning to the targeted range of 3% to 6% in the medium term.

Nonetheless, the inflation rate increased to 13% in 2022, indicating volatility in inflation levels due to external economic shocks. Despite this, the Bank of Botswana remains independent and is capable of effectively communicating with other stakeholders in the financial sector while also providing advisory support to the government.

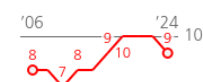
The government has made efforts to promote fiscal stability; however, Botswana's fiscal situation has recently deteriorated, resulting in significant budget deficits. Factors contributing to this deterioration include the impact of COVID-19 and reduced diamond revenues. In the 2022 budget speech, it was mentioned that in the 2020/2021 fiscal year, total revenues and grants reached BWP 49.37 billion, representing a BWP 1.04 billion increase, or 2.15%, compared to the revised budget of BWP 48.33 billion. On the expenditure side, total expenditure and net lending amounted to BWP 65.79 billion, which was 5.1% lower than the revised budget estimate of BWP 69.36 billion. Recurrent expenditure was BWP 1.57 billion lower than the revised budget, indicating the effectiveness of cash-saving and cost-containment measures implemented by the government in late 2020. Development expenditure also showed an underspending of BWP 2.0 billion. Overall, the deficit for the 2020/2021 financial year was BWP 16.41 billion, equivalent to 9.4% of GDP. These deficits are largely attributed to structural issues in Botswana's economy, such as the trade imbalance where the country imports more than it exports.

In terms of the external account, Botswana's foreign exchange reserves saw a modest recovery, reaching BWP 60.0 billion in October 2021, which was a 4.3% increase from BWP 57.5 billion in October 2020. Notably, the Government Investment Account portion of the reserves also increased to BWP 9.9 billion in October 2021, compared to BWP 6.5 billion in October 2020, representing a 52.0% increase over the year. It's important to highlight that Botswana's foreign exchange reserves are sufficient to meet international obligations, pay for goods and services, and provide a buffer against external shocks.

To address the public debt and improve the country's fiscal position, the government plans to expand the revenue base by extending the tax net and enhancing revenue collection efficiency. Additionally, the government aims to manage fiscal expenditure by reducing spending and focusing on productive activities.

Monetary stability

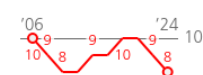
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Fiscal stability

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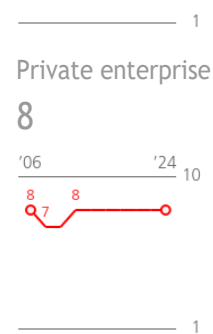
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9 | Private Property

The right to own private property is constitutionally protected in Botswana (Section 8 of constitution). Citizens and foreigners can own, use and sell property under the regulation of Botswana’s legal framework. The government does not discriminate on the ownership, use and sale of private property.



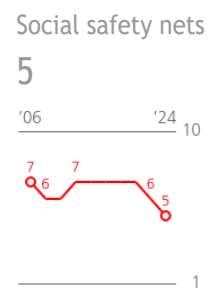
Recognizing the crucial role of the private sector in Botswana, the government permits the establishment of private companies to operate within the country. The private sector plays a vital role in Botswana’s economy, and the current administration, led by President Masisi, has made concerted efforts to create more opportunities for private companies to invest in the country’s economy. To facilitate this, the Public Enterprises Evaluation and Privatisation Agency has been tasked with promoting privatization. Their responsibilities include advising the government on privatization strategies and overseeing the implementation of privatization initiatives, which encompass commercialization, restructuring, outsourcing and divestment activities aimed at enhancing the effectiveness and efficiency of public enterprises and ministries.



However, the privatization process for some state-owned enterprises has not yet commenced, and these entities continue to rely heavily on government support. Consequently, the expansion of the private sector within Botswana’s economy is progressing at a slow pace.

10 | Welfare Regime

Botswana does not have a comprehensive social safety net program that cushions the hardships related to unemployed faced by those in poverty. The existing welfare initiatives primarily target specific groups, including individuals aged 65 and above, orphans registered with social workers, World War veterans and those eligible for destitute allowances. Additionally, the government has initiated the Poverty Eradication Programme, which involves employing individuals in public projects like de-bushing and road cleaning. During the COVID-19 lockdowns, the government attempted to distribute food hampers to those in need, but this effort was marred by chaotic and poorly coordinated distribution.



These existing social safety programs are accessible only to citizens, with the exception of primary health care, which non-citizens can also access. However, these programs face a significant challenge as they are government-funded and tend to be ineffective in lifting people out of poverty, resulting in persistent enrollment. The

government recognizes the need for a more comprehensive social safety net program to assist poverty-stricken citizens and unemployed graduates in coping with social and economic challenges, while also reducing their dependence on government support. This need was acknowledged by the Finance Minister in her 2022 budget speech, where she emphasized the government's commitment to implementing the National Social Protection Framework and the National Social Protection COVID-19 Recovery Plan, aiming to establish a unified and efficiently administered social protection system to minimize waste, prevent duplication and better target social welfare programs toward the most vulnerable individuals.

The constitution of Botswana upholds principles of equality and nondiscrimination based on sex, gender, race, religion and ethnicity. Consequently, citizens are granted equal access to educational and employment opportunities. The female literacy rate is at 88.01%, while males have a slightly higher rate of 88.93%. The Gender Parity Index, as reported by the World Bank in 2021, stands at 0.98159, further indicating a relatively balanced gender distribution in education. Additionally, World Bank data shows that in 2021, women made up 47.7% of the labor force in Botswana. This aligns with the government's commitment to women's empowerment, as is reflected in the increasing number of women occupying senior public positions.

Despite these advancements, women continue to encounter obstacles when seeking political representation due to various constraints that hinder their participation in politics. Notably, the absence of quotas reserving a proportion of seats for women remains a challenge in advancing the agenda of women's empowerment.

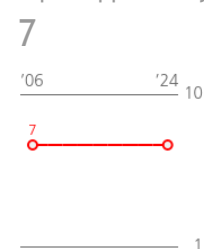
Botswana's labor laws also aim to accommodate non-citizens, provided they adhere to the country's immigration regulations to work and reside in Botswana. However, there are challenges related to processing permits in certain sectors, such as higher education, where excessive administrative procedures cause delays in recruiting non-citizens.

11 | Economic Performance

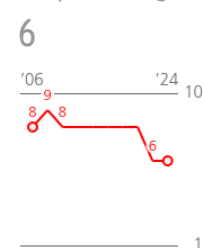
Botswana's once rapidly growing economy, which was the fastest in the world, is now overshadowed by its heavy reliance on diamond mining. While the government has maintained a relatively prudent macroeconomic stance, the economy remains vulnerable to external shocks. The impact of COVID-19 and rising fuel prices has been substantial, leading to significant budget deficits estimated at BWP 26.6 billion over the 2020/2021 and 2021/2022 financial years.

For the 2022/2023 financial year, total revenues were expected to reach BWP 67.87 billion, with mineral revenue accounting for BWP 24.08 billion or 35.5%. Non-mineral income tax is the second-largest revenue source projected at BWP 14.26 billion or 21.0%, followed by customs and excise revenue at BWP 13.94 billion or 20.5%, and VAT estimated at BWP 11.97 billion or 17.6% of total revenues and grants.

Equal opportunity



Output strength



Regarding expenditure and net lending, the total projected expenditure for the year was BWP 74.84 billion. Within this total, recurrent expenditure accounted for BWP 58.51 billion, development expenditure for BWP 16.43 billion, and net lending of minus BWP 95.50 million. Budget deficits persist as the economy recovers from the impact of the COVID-19 pandemic, with the overall balance for the 2022/2023 financial year projected to be a deficit of BWP 6.98 billion, equivalent to 3.2% of GDP.

Unemployment has risen to 26.0% in the fourth quarter of 2021, up from 22.2% in the fourth quarter of 2019, prior to the pandemic. Furthermore, the inflation rate reached a peak of 8.7% in December 2021, and although it was expected to drop to the 3-6% range, it increased to 12.4% in November 2022. However, as the economy gradually recovers from the COVID-19 pandemic, it is projected that domestic economic growth will be 4.2% in 2022 and 4.1% in 2023.

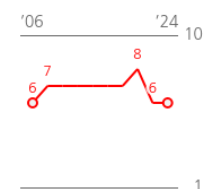
12 | Sustainability

The government of Botswana places a strong emphasis on environmental protection and sustainable development, with these priorities falling under the jurisdiction of the Ministry of Environment, Natural Resources, Conservation and Tourism. To underscore its dedication to these principles, the government requires businesses setting up in Botswana to undergo environmental impact assessments as part of their compliance procedures. Additionally, the government has implemented various initiatives aimed at preserving the country's flora and fauna. These include prohibiting deforestation while promoting tree planting, combating soil erosion caused by illegal sand mining, and enforcing a strict anti-poaching policy.

Botswana is also committed to promoting renewable energy and reducing CO2 emissions. The government has reiterated its pledge to achieve lower carbon emissions and transition to renewable energy sources. During a speech in Rwanda, President Masisi emphasized his administration's support for the global shift toward clean energy in line with the goal of limiting global warming to well below 2°C. He highlighted that this commitment is reflected in the government's target to reduce emissions by 15% by 2030, as outlined in the country's first Nationally Determined Contributions (NDC). These NDCs specify that a significant portion of emissions will originate from the energy sector.

Environmental policy

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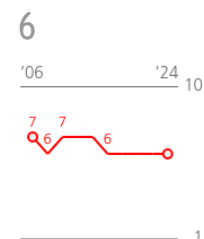
Botswana has consistently demonstrated a strong commitment to investing its diamond revenue in education and human resource development. This dedication is evident in the country's ongoing investments in the education sector, with increased budget allocations to support this vital area. For example, in the 2022 budget, a significant portion of the development budget was allocated to the Ministry of Basic Education, amounting to BWP 936.84 million or 5.70% of the total budget. Tertiary education also received substantial funding, with an allocation of BWP 1.44 billion, representing a 3.7% increase over the previous year's approved budget (Budget Speech, 2022).

Furthermore, Botswana has made significant strides in education access and literacy rates. According to the World Bank, net enrollment in basic education, particularly primary education for children aged 6 to 12 years, has steadily increased and stands at an impressive 99%. In the realm of tertiary education, enrollment in tertiary institutions reached 24.73% in 2021. Additionally, the country boasts impressive literacy rates, with youth literacy at 97% and adult literacy at 86%. Botswana's U.N. Education Index score in 2022 was 0.685.

The government fully funds education from primary to tertiary levels. In the 2022 budget, the Ministry of Basic Education received a substantial allocation, amounting to 18.5% of the budget and totaling BWP 9.87 billion. Also, the Ministry of Tertiary Education was allocated BWP 3.26 billion, which was BWP 1.34 billion less than the approved allocation from the 2023 budget.

While the 2022/2023 budget clearly prioritizes human capital development, emphasizing knowledge, innovation and policies related to tertiary education, research, science and technology, the country has yet to establish a national research fund dedicated to sponsoring innovative projects. This is evident from the lack of commitment in terms of dedicating a proportion of the GDP to research and development.

Education policy /
R&D



Governance

I. Level of Difficulty

The political leadership in Botswana operates within a context of relatively low structural constraints. Despite the challenges posed by poverty and unemployment, these issues have not significantly hindered the government's ability to fulfill its governance responsibilities.

Botswana benefits from having a well-educated labor force, particularly when compared to regional standards. The country also boasts higher literacy levels in the region. However, Botswana's landlocked position necessitates reliance on neighboring countries with access to the sea for the importation of goods. While Botswana is not prone to natural disasters, recurring droughts and low rainfall have a severe impact on the agricultural sector.

Moreover, Botswana, like the rest of the world, is recovering from the global COVID-19 pandemic, which presented significant challenges to the political leadership in various ways.

Despite the presence of some civil society organizations that represent various interests, civil society is generally weak in Botswana. This weakness can be attributed, in part, to the absence of a strong civic culture where citizens actively engage in public life. Additionally, many existing civil society organizations rely heavily on government funding for their survival.

While a few unions, such as the Botswana Sectors of Educators Trade Union and the Botswana Federation of Public Sector Unions, actively exert pressure on the government and advocate for their members, most other organizations exist only formally and have limited impact. The significant government control over the economy further dampens civic participation, as nearly every organization looks to the government for funding.

Botswana does not face significant issues related to political, social, ethnic or religious conflicts. Despite the continued dominance of one political party, the opposition generally accepts the results of elections. In cases where election outcomes are disputed, peaceful resolutions are eventually achieved.

Society in Botswana is characterized by a lack of major divisions or fragmentation along any significant fault lines, and there are no groups with the potential to mobilize sections of the population or incite violence.

Structural constraints

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Civil society traditions

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Conflict intensity

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II. Governance Performance

14 | Steering Capability

The government establishes its priorities through various frameworks, including the National Development Plan (NDP), District Development Plans and long-term objectives outlined in documents like Vision 2036. However, the actual implementation of these priorities often faces delays and challenges, particularly in achieving short-term goals.

It's worth noting that the current administration has taken steps to improve this situation by aligning the NDP with the five-year term of an elected government. This reform is expected to enhance accountability and the government's ability to deliver on its commitments.

One of the ongoing challenges for the government in Botswana is effective implementation. This challenge is especially apparent in numerous planned projects that either go unimplemented or are not executed efficiently. Consequently, there is a recurring issue where budget allocations are not fully utilized by ministries due to inadequate implementation.

It's important to recognize that in some cases, the government's focus on implementing certain priorities may be driven by clientelist motives, particularly with an aim to secure support and maintain power, especially in the lead-up to elections. However, the current administration, under the leadership of the president, is actively pursuing the Reset Agenda. This agenda seeks to reform and improve the implementation of government priorities, ultimately aiming to enhance the overall efficiency of the country.

The government of Botswana has shown a certain degree of adaptability and innovation, as evidenced by various policy shifts, constitutional reviews and changes in foreign trip benchmarking. For instance, the government has taken steps to address long-standing challenges, such as improving the land allocation process and decentralizing services to bring them closer to the people. Additionally, it has sought to reduce dependence on neighboring countries by imposing import bans on some goods to promote local industries. The lessons learned from the COVID-19 pandemic underscored the importance of prioritizing national interests during crisis periods.

However, there is room for improvement in terms of government flexibility and adaptability. The bureaucratic nature of government and its resistance to change remain significant obstacles. Despite the investment in an innovation hub, the government has been slow to embrace innovation. The progress toward e-governance has been hindered by issues such as poor connectivity and frequent power

Question
Score

Prioritization

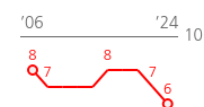
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Implementation

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Policy learning

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interruptions. Furthermore, there are concerns about the government's willingness to engage with experts and academics, as evidenced by the absence of a national research fund that would allow experts and academics to apply for grants to conduct research aimed at finding innovative solutions to the country's challenges.

15 | Resource Efficiency

Botswana remains committed to the prudent utilization of its resources, with a strong emphasis on a meritocratic-based appointment system centralized within the Directorate for Public Service Management. While there are occasional instances of politically motivated appointments, these are relatively infrequent compared to competitive recruitment procedures.

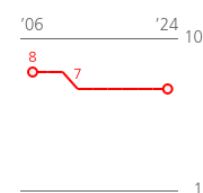
However, challenges persist in the efficient utilization of budgeted resources, often resulting in the poor implementation of planned projects and increased maintenance costs. An illustrative example is the recent collapse of a relatively new interchange on the outskirts of the capital city due to heavy rainfall. Additionally, the country grapples with budget deficits, especially in the aftermath of the COVID-19 pandemic. Nevertheless, the government maintains transparency in its planning processes, as evident in the National Development Plans, District Development Plans and other frameworks, even though deviations from budgeted expenditures may occur, particularly due to unforeseen events like the COVID-19 pandemic.

Botswana boasts a fairly professional public administration that adheres to legal-rational bureaucratic principles, ensuring effective management. The government actively encourages public service reforms; however, the slow uptake of these reforms is often attributed to cultural rigidity within the administrative organization.

Generally, the government can coordinate conflicting goals and objectives into coherent policy. This is largely because of the institutional and role differentiation that exists in the government machinery. There is a well-established coordination mechanism between the main branches of government, although minor challenges do arise from time to time. However, it should be pointed out that the government faced coordination challenges during the COVID-19 pandemic. This was particularly evident in the functioning of the Task Force established to lead the fight against COVID-19. The Task Force encountered difficulties related to procurement and occasionally clashed with the Ministry of Health regarding equipment procurement issues.

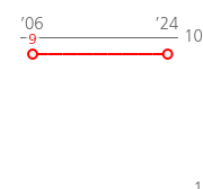
Efficient use of assets

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Policy coordination

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The government's efforts to combat corruption have produced mixed results. On the one hand, the Directorate on Corruption and Economic Crime investigates cases of corruption and forwards dockets to the Directorate on Public Prosecutions for prosecution of those found guilty. However, it should be noted that the prosecution rate for high-ranking civil servants and politicians involved in corruption remains low. For instance, instances of widespread corruption, even involving the state president during the COVID-19 pandemic, have not resulted in significant legal consequences.

Regarding party funding, there are currently no regulations in place to govern party funding, which has left the country's political system vulnerable to foreign funding with potentially questionable motives. The recent introduction of reforms for state funding of political parties may help address this issue. Additionally, Botswana has yet to implement a law providing citizens and the media with access to information.

16 | Consensus-Building

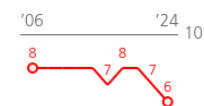
Major political actors, including most political leaders, political parties, NGOs and interest groups, agree to a large extent on democracy as a preferred political system. Moreover, the Afrobarometer survey shows that citizens do support democracy as a political system.

Major political actors in Botswana acknowledge the importance of markets in the economy. This is evident in Botswana's status as a free market economy, in which prices are determined by market forces with minimal government regulation. The current administration, led by President Masisi, has reaffirmed its commitment to promoting a market-driven economy by attracting investors and supporting local businesses.

Support for democracy as a system of governance has created an environment in which reformers do not face antagonistic forces seeking to undermine the country's democratic principles. The political leadership can effectively manage and even win over those who challenge the government. However, it's important to note that those who are co-opted typically do not hold anti-democratic views; instead, they may be motivated by various factors, such as the offer of ministerial positions to opposition politicians.

Anti-corruption policy

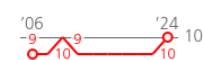
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Consensus on goals

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Anti-democratic actors

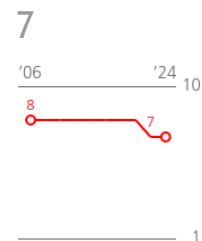
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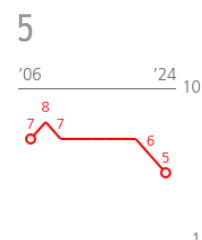
Botswana has generally avoided cleavage conflicts. However, recent events have seen political leaders, particularly in Serowe, exacerbating cleavage conflicts through the interference of armed police officers in Kgotla meetings. This interference was a result of a political dispute between President Masisi and his predecessor, Ian Khama, who also serves as the paramount chief of the Bangwato tribe. It's worth noting that the Kgotla institution, as a platform for deliberating issues at the community level, has historically played a crucial role in preserving Botswana's democracy.

Cleavage / conflict management



The political leadership in Botswana seldom engages with civil society during the policymaking process. While there are occasional consultations held in kgotla meetings where communities are involved, these engagements tend to be superficial, and individuals who raise questions or concerns about the political leadership's decisions are often silenced. The overall lack of an active civil society and a passive political culture also contribute to the limited engagement of the political leadership on policy matters at all levels.

Public consultation



Botswana has not experienced any injustices in the recent past. The country has generally observed and respected human rights.

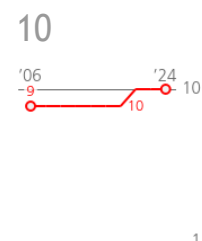
Reconciliation
n/a



17 | International Cooperation

The political leadership in Botswana has developed a long-term political and economic road map that was outlined in the country's Vision 2036 strategy. According to this vision, Botswana aims to become more globally engaged and open to international expertise and knowledge. To achieve these goals, the country actively collaborates with various international organizations that provide support to both the government and non-governmental organizations. Some of these organizations include USAID, Friedrich Ebert Stiftung, the Open Society Initiative for Southern Africa (OSISA) and the World Bank, among others. These international partners offer support for a wide range of initiatives spanning political, economic and social areas. As a result, there is a strong commitment to maintaining these relationships with international organizations to support the political leadership's long-term objectives.

Effective use of support



Botswana maintains a favorable reputation in the eyes of the international community. This positive image is attributed to Botswana's consistent commitment to international obligations and adherence to various international agreements. Examples of this commitment include President Masisi's pledge to reduce global carbon emissions during a climate conference in Rwanda, the visit of an IMF mission to Botswana in 2022, and the visit of the U.N. Human Rights Council in the same year. During the latter visit, Botswana received commendation for its openness in inviting the Working Group, marking the first visit of the Working Group to the Southern African region in over a decade.

Another factor contributing to the country's credibility is its dedication to servicing its external debt, even in the face of challenges posed by the COVID-19 pandemic. The 2021 budget speech highlighted the allocation of funds to cover normal public debt servicing obligations. As a result, Botswana enjoys a strong international reputation because its government is viewed as a credible and reliable partner on the global stage.

Botswana remains actively engaged in regional integration and cooperation as integral components of its development strategy. Under the leadership of President Masisi, the government of Botswana has made a strong commitment to regional participation within the Southern African Development Community (SADC) and continental engagement through the African Union. In line with this commitment, Botswana has ratified numerous protocols within these international organizations and has even taken part in peacekeeping missions, such as the SADC Mission in Mozambique. These actions underscore the political leadership's readiness to collaborate with neighboring nations.

Furthermore, Botswana is eager to foster cooperative relationships with as many regional countries as possible, prioritizing good neighborly relations. A prime example of this commitment is President Masisi's and his government's efforts to maintain peaceful relations between Botswana and Namibia, especially following a tragic incident involving the fatal shooting of Namibians suspected of poaching.

Credibility

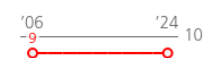
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Regional cooperation

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Strategic Outlook

The future of Botswana's democracy and economic prospects hinges on the willingness and commitment of its political leadership to address various political and socioeconomic challenges. First, the country's democracy remains unconsolidated due to the lack of opportunities for elite rotation in office. Enhancing the quality of Botswana's democracy could involve implementing state funding for political parties, regulating all parties regarding foreign funding, and ensuring that opposition parties receive broader coverage by state media. Collaborative efforts among opposition parties are also crucial to mitigate vote splitting, which has hindered a change in government for years.

Additionally, Botswana's reputation as a beacon of democracy and the rule of law relies on the independence of its judiciary. To strengthen this independence, the Judicial Service Commission (JSC) should appoint judges without executive influence. Implementing a rigorous appointment process that includes public interviews of judicial candidates would significantly reform the judiciary and enhance its independence. Furthermore, Botswana can improve its record of respecting human rights and fundamental freedoms by enacting a freedom of information law, which would encourage investigative journalism and aid in the fight against corruption. Promoting freedom of expression and dialogue within consultative institutions like the kgotla, along with educating communities on policy issues, can make consultations more effective.

On the socioeconomic front, addressing issues such as escalating gender-based violence, unemployment, poverty and inequalities requires a multifaceted strategy. An essential step involves investing in research to conduct a national study aimed at developing policies and programs as interventions. The country's youth bulge poses a significant human security threat, especially due to the lack of job opportunities for a large proportion of young people. To address this, Botswana's economic transformation agenda should prioritize industrialization and manufacturing sectors, which are more labor-intensive and can absorb many young people. These manufacturing factories can also target low-skilled citizens who often enroll in government public works and destitute programs.

Botswana's health sector must undergo reforms, particularly in light of the COVID-19 pandemic and ongoing challenges related to HIV/AIDS. Addressing medication shortages in health facilities, which arise from the country's reliance on imported medical supplies, requires decisive action from the political leadership to hold civil servants accountable for their responsibilities.

Finally, Botswana's political and economic trajectory depends on maintaining and nurturing good relations with regional neighbors and international partners. This is evident in the country's reliance on South Africa for imports, the EU market for Botswana's beef exports, and various overseas markets for its diamonds. The international community should recognize the government's desire to maintain its reputation as both a political and economic "African success story."