THE SOCIAL CONSEQUENCES OF DIAMONDS DEPENDENCY IN BOTSWANA

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Botswana in the 21st century enjoyed the definite but limited fruits of a diamonds-based, undiversified, high-growth economy. Based upon that was a highly centralised state system, and an elitist and authoritarian form of liberal democracy. Revenues from diamonds had been successfully directed into national and infrastructural development. But the over-concentration on diamonds led simultaneously to the non-diversification of the economy, the worsening of poverty and inequalities, and the continuance of ethnic discrimination and other forms of social injustice. Botswana is a relatively rich country, with the resources to deal with these problems, but its centralised governmental system, and its elitist, restrictive democracy, facilitates their continuance. In forty years of free, open but largely unfair or unequal elections in the narrowly based socio-economy, no change of government occurred. Wealth, stability and apparent success promoted complacency among the centralised elite, and social rigidity resulted. Change could only come slowly, and from the bottom up.

Commodity Dependence or the ‘Resource Curse’

Since their discovery in 1967, it is diamonds which transformed Botswana from an undeveloped country with a per capita income of some $60-$80 per annum into an Upper Middle Income Country (UMC) with a GDP per capita in PPP terms of $8,244 in 2002.\(^1\) A high concentration on diamonds produced these results, and in the same year they constituted about 45 per cent of total GDP, 65 per cent of government revenue, and not less than 80 per cent of export earnings. Of all foreign direct investment entering Botswana, some 90 per cent was commanded by mining.\(^2\)

Diamonds remain the firm direction of development. Jwaneng was reputedly the world’s most profitable diamond mine at the start of this century, with an annual income of $1.5 billion. The world’s biggest diversified resource company, BHP-Billiton, had recently arrived in Botswana with the perception that investment in diamonds’ exploration in the country was lagging, relative to the other main producers, Canada and Australia.\(^3\) A fourth mine, Damtshaa – the others being Orapa and Letlhakane – had just come on stream and was expected to produce 292,000

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1 World Bank, *African Development Indicators 2004*, p.310. All dollars are American.
carats in 2004. The mining of gems at Gope, inside the Central Kalahari Game Reserve (CKGR), remained a distinct possibility.

Diamond production is controlled by Debswana, jointly owned by the Botswana government and De Beers. The latter is not a public company, and it, like the industry in general, is known for its secrecy. Written agreements are eschewed, and decisions are made by the very few. It has been De Beers practise in Angola and South Africa to hold on to a potentially valuable diamonds site for perhaps 25 years before deciding whether to mine or not. The Botswana government’s relationship with De Beers, via Debswana, is close and very influential. By the end of 2003 Botswana held a fifteen per cent share in the big corporation, which sold some 50 per cent of the world’s rough diamonds in 2004, at a value of $5.7 billion. Many of Debswana’s directors are senior officials, and President Festus Mogae famously described the interdependence between the controlling company and his government as that of “Siamese twins”. Close association with a large, secretive and non-accountable organization like De Beers seems inherently dangerous for a democratic country, especially when its rulers harbour pre-existing tendencies towards non-accountability themselves -- perhaps the inevitable consequence of the high-value corporate diamond mining into which Botswana is heavily committed.

Botswana’s diamonds-dependence is high in world terms. Bannon and Collier, and Ross, have endeavoured to measure resource dependency, especially that concerning minerals and oil. Taking commodity exports as a percentage of GDP, they see its effects “peaking with exports at around 30 per cent of [GDP]”. On a table of 20 of the world’s resource-dependent countries, Botswana showed a figure of 35.1, as early as 1995, above Sierra Leone with 28.9, Zambia with 26.1, Mauritania at 18.4, Bahrain at 16.4, and Liberia on 12.5. On this calculation, Botswana was the most minerals-dependent country in the world. Bannon and Collier considered the possible social consequences of such dependence, and suggested that a country with

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5 As publicly announced by the Minister for Minerals, Boometse Mokgothu, in July 2000. He said then that the mine was expected to cover 45 square kilometres of the Reserve and have an expected lifespan of eighteen years. The Botswana Gazette (Gaborone), 5 July 2000.
6 Pers.com., Christine Gordon, London, July 2005. Leaving the diamonds in the ground is both safe and cheap, as the world demand is assessed.
7 Interview, “Nicky Oppenheimer, chairman of De Beers”, by Terry Macalister, The Guardian (London), 2 July 2005. Macalister noted that, in keeping with the traditions of the diamond trade, Oppenheimer is “known as a man of discretion and few public words.”
8 He and Debswana’s long-serving managing director, Lois Nchindo, were close friends. Good, op.cit., p.17.
“commodity exports around 25 per cent of GDP had a 33 per cent risk of [experiencing domestic] conflict.” While this points suggestively to underlying instability consequent on minerals dependency in Botswana, it is obviously the case that government exists to moderate such pressures, if they have the will and capacity to do so, of course.

The economic consequences of diamonds dependency are evident. The early Nigerian scenario, of ‘boom in oil, bust on the farm’, has not been replicated in Botswana, but a steady deterioration in agriculture has been experienced, as diamonds’ revenue was utilised for the importation of food from efficient neighbouring producers. Between 1970-80, when diamonds were still entering production, agriculture grew by 8.3 per cent, in the next decade by only 2.2 per cent, and then it “contracted by an average of 1.2 per cent per annum”, due not only to the perennial problem of drought but also to “relatively low investment” in the sector. Inflowing revenues rendered a problematic domestic agriculture redundant in the rational eyes of the financial planners. By 2003-04, agriculture, where the majority of people eke a living, represented only 2.3 per cent of GDP.

The further social effects of this decline were also clear. On UNDP and World Bank data published in 2004, covering the 1990s, about half the population survived on less than two dollars a day, and 97 per cent of those people lived in rural areas, as will be considered closely below.

It is conventionally agreed that Botswana has managed diamond revenues very well, in fiscal and infrastructural terms especially. Finance and infrastructure have almost constituted development in the country. Diamonds bought roads, railways, airlines and telecommunications, education and health facilities, balanced budgets by 1972, a strong currency and high foreign exchange reserves, and the imported goods which Botswana did not produce for itself.

The country’s leading developmental institution indicatively coupled Finance and Development Planning (MFPD). Established in 1970, it was described by Samatar as “the institutional brain” of economic policy-making, which “dominated all other ministries”. Its political importance accorded with its economic pre-eminence,

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10 Clover, op.cit., pp.7-8.
and it produced both President Ketumile Masire and his successor Mogae; the position of Minister of Finance and Development Planning was coupled with that of Vice-President until 1999. Under it fell the National Development Bank, “a pillar of our financial system”, and an “essential vehicle for channelling loan financing”, according to Mogae in 1991.\textsuperscript{12} MFDP also supervised from that year the Botswana Development Corporation (BDC). The BDC seemingly stressed profitability over structural-productive development, and when it experienced unprofitability in its investments this occurred in industrial and agricultural sectors.\textsuperscript{13} When path-breaking car assembly in Gaborone collapsed in 2000, the BDC’s immediate priority was to secure its investment. Its managing director saw its main role as administering loan money: “We at the BDC”, said Kenneth Matambo, “do not have the experience in running any business other than issuing loans.”\textsuperscript{14}

Diamonds clearly represented a “tremendous boost” to government revenues, through royalty payments, profits tax, withholding tax on remitted dividends, and the state’s fifty per cent share in Debswana. These were subsequently followed by big profits earned on the management of foreign exchange reserves by the Bank of Botswana.\textsuperscript{15} But its utilisation for diversified development has proved deficient. A leading policy initiative was the Financial Assistance Programme (FAP), set-up in 1982 to complement the work of the BDC, and described as “the most important initiative” then for industrialisation.\textsuperscript{16} By 1998 widespread abuse of FAP was revealed in parliament. Essentially FAP was a source of easy money for under-capitalised citizen-based companies and footloose ‘cowboy capitalists’ from outside who took their loans and left soon after. Some five billion Pula was outlaid over the twenty year life of this programme, but what was achieved, according to President Mogae, was self-sufficiency in chicken production.\textsuperscript{17} As he had informed parliament in late

\textsuperscript{13} Samatar, \textit{op.cit.}, p.159.
\textsuperscript{14} Good and Skye Hughes, “Globalization and Diversification: Two Case Studies from Southern Africa”, \textit{African Affairs}, 101, 2002, p.44.
\textsuperscript{16} Samatar, \textit{op.cit.}, pp.147-155.
\textsuperscript{17} Mmegi Monitor (Gaborone), 3 May 2004. The rate for the Pula – “the Swiss franc of Africa” -- was approximately four to the dollar through the 1990s and rather less than five more recently.
2000: “We [still] have to develop the capacity…to assess more thoroughly the character, integrity and international financial position of individual firms.”

It was monetary policy itself which produced these crony (or venture) capitalist outcomes. The signs were clear in 1992 with the near collapse of the flagship NDB, due to unpaid loan-arrears totalling more than P60 million, and the near-refusal of borrowers to even service their loans. Many of these recalcitrant debtors were government ministers, including President Masire with an outstanding debt of P546,000. Leith has summarised the outcomes of monetary policy: it “allowed borrowers access to commercial bank funds at negative real interest rates until late 1993.” Thereafter, government programmes “continued to provide cheap capital” through FAP. “A further adverse incentive” was the capital “available through [the NDB and BDC]”. Additionally, big cattle owners “continued to be favoured in the tax code.” State-owned financial institutions “saw their roles as channelling funds to target clientele”, frequently “the dominant [political] group’s supporters”, and they were “ineffective in evaluating and monitoring projects”. A “haemorrhage of funds to unproductive investments”, he states, went on until the end of the decade.

What diamonds has not done it to further the diversification of the economy into manufacturing. In 1998 a Completely Knocked Down car assembly plant succeeded a more limited facility begun in 1993, at an estimated cost of just over P200 million. Producing then Hyundai and Volvo cars for export to South Africa and beyond, it was intended to employ 1,200 trained local workers. It represented considerable investment in plant, equipment, jobs, labour skills, technical transfers and diversification. But it was disposed of at auction in November 2000 for just P38 million. Partly as a result, manufacturing capacity dropped, on one estimate, from 3.5 per cent to 1.6 per cent of GDP over 1999-2000.

The rise and fall of car assembly in Gaborone represented the conjunction of a number of important factors: the country’s inability to attract foreign investment, extremely tough competition from South Africa, and a seeming lack of commitment.
on the government’s part to promote industrialisation. While it is mining that attracts foreign direct investment (FDI) to Botswana, what actually enters is both low in value and falling. FDI in 1990 represented some 2.5 per cent of GDP, but it was down to 0.7 per cent in 2002, following the withdrawal of Hyundai, and it remained at that level in 2003. Estimates sometimes differ, but there is agreement on both the smallness of the figures and the direction of the trend. Thus, FDI was $100 million in 1997 but only $57 million by 2001. On other data from the World Investment Report, Botswana’s FDI totalled $405 million in 2002, and $47 million in 2002. Zambia, Tanzania and Namibia all attracted more FDI by 2004 than did Botswana. By 2004-05, “more FDI left and less came into the country.” On the assessments of the EIU, diversification into manufacturing was constrained by the smallness of the domestic market – although this patently did not prevent Mauritius, with only 1.2 million people, from achieving a manufacturing capacity of some 20 per cent of GDP – but also, perhaps more relevantly, by the country’s “excessive bureaucracy”.

Relations with the South Africa hegemon remain deeply problematic despite Botswana’s UMC strengths derivative of its diamonds. The operations of the Southern African Customs Union (SACU) are part of this inequitable relationship, which also represents the general preference for prioritising revenues over industrial development. Botswana renegotiated the SACU Agreement soon after independence, gaining a “significant increase” from the common customs revenue, and a new “infant industry” clause which it did not fully utilise, says Samatar. But the agreement also gave South Africa the determination of the external tariffs applicable to all Union members, and while that country’s exports enjoyed free entry into Botswana, the same did not operate in the reverse direction. Clover believes that SACU “effectively allows South Africa to prevent its…partners from protecting their nascent industries”, and it possesses of course great regional advantages, not least in

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23 This assessment is similar to the view of the Botswana Confederation of Commerce, Industry and Manpower, Mmegi, 29 August 2003.
25 The Economist Intelligence Unit has noted what it calls the questionable reliability of official data, where GDP growth rates in sectors like manufacturing appear to be at odds with data on employment, credit and trade. Country Report: Botswana, July 2005, p.21.
26 AfDB/OECD, op.cit., p.78.
27 Happy Siphambe, Mmegi, 4 October 2005.
30 Hope, op.cit., p.55.
attracting FDI. Both President Masire and Mogae recognised South Africa’s opposition to competition from car assembly in Gaborone, but both were either unable or unwilling to protect their new industrial capacity when Pretoria’s opposition intensified.

With miniscule manufacturing capacity still, the country’s economic relations with South Africa remain highly skewed. Botswana imported goods from South Africa, in 2004, worth Rand 17 billion, but its exports in return were valued at only R2 billion. Addressing parliament in Cape Town on 26 October 2005, Mogae made two “specific requests” of the South African government, and pictured the two country’s relationship as that of a mother and child.

Diversification within diamonds themselves was limited. Only in 2004 was Debswana reportedly contemplating an expansion of the country’s fledgling diamond polishing industry, which promised to boost value-added in the sector and create skilled jobs within the otherwise small work-force. There were then three companies, with the largest of them, Diamond Manufacturing Botswana (DMB), having an “average employment level of less than 100.” But DMB was expanding, on new investment of some $500,000, and expecting to offer employment to up to 300 workers.

Adding value to rough diamonds, or beneficiation, was receiving active attention in other big producing countries, and in Canada, for example, the mines were “effectively forced to offer 10 per cent by value of their best [rough diamonds] production for sale to local cutters.”

Big Israeli diamond polishers, such as Lev Leviev, had approached Botswana offering to build manufacturing facilities in the country in return for rough diamonds.


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32 It represented “independent development on the periphery”, in Masire’s pertinent terms. Good and Hughes, op.cit., pp.50-52.
33 One was “to participate with us in the construction of an in situ Thermal Power Station” in Botswana, and the other “to permit your diamonds to be aggregated by the [new] Diamond Trading Corporation in Gaborone.” In making these requests he quoted a proverb that says: ‘a child who doesn’t cry risks dying on its mother’s back unnoticed’. Tautona Times (the Weekly Electronic Press Circular of the Office of the President), 38, 2005, pp.8-10.
34 Address by President Mogae at the opening of DMB’s new plant in Gaborone, 2 November, Tautona Times, 39, 6 November 2005, pp.4-5.
35 Emma Muller, in Business Day (Johannesburg), 21 May 2004.
diamonds’ processing, but Mogae assured the International Diamond Conference in May that his government would not impose restrictions on the export of rough diamonds.\textsuperscript{37} In October Botswana was seeking the participation of both South Africa and Namibia to help, as he said, make the new Botswana Company a success. The Diamond Trading Company (DTC) Botswana was intended, said the President, to sort, value and market all of Debswana’s diamonds, and sell rough stones to local polishers on the site-holders system long established by De Beers.\textsuperscript{38}

But South Africa was simultaneously moving to establish a state diamond trader and exchange of its own, which would buy a share of domestic production for the local cutting market, and Angola too was intending to process its diamonds on an independent basis. The Pretoria government was also considering the imposition of an export levy on rough diamonds,\textsuperscript{39} steps which might run counter to Botswana’s collaborative, internationalist approach.

**Dependency and Ethnic Dominance**

Bannon and Collier inter-link resource dependency with social factors, in particular “ethnic dominance”, and they say that “societies in which the largest ethnic group accounts for 45 to 90 per cent of the population…have a risk of conflict about one-third higher.” It is through this linkage, Ross adds, that “wealth can make you poor.” Resource dependency plus ethnic dominance constitute “drivers of conflict.”\textsuperscript{40}

The role of government is again important in moderating and equalizing ethnic relations, or perhaps neglecting and exacerbating them.

The Tswana, measured as a language group, constituted some 70 per cent of Botswana’s total population in the 1990s. Their numbers were around one million, compared with such minority groups, in descending numerical order, as Kalanga with


\textsuperscript{38} Tautona Times, 39, p.5.

\textsuperscript{39} South Africa is the world’s fourth-largest diamond producer by value. Its government was reportedly keen to boost the local cutting and polishing and jewellery-making business, and insisted that “diamonds must support the people of this country” more fully. De Beers, which extracts 90 per cent of the country’s diamonds, and other established interests, questioned the cost-effectiveness of the plans. *The Economist*, 29 October, and Mail and Guardian On Line, 1 November 2005. Angola, the fifth biggest producer, also announced the opening of a new diamond polishing plant in Luanda then. It was built by Lev Leviev, with plans to cut and polish at least $20 million-worth of rough gems monthly. The country aimed to double its diamond production, to almost $2 billion in value, within a year. BBC News On Line, UK edition, 4 November 2005.

\textsuperscript{40} Bannon and Collier, and Ross, op.cit, pp. 2-3 and 17.
160,000, Kgalagadi of 35,000, Herero of some 31,000 and Yeyi at 27,000. The government has officially portrayed Botswana over the years as ethnically homogenous which, while essentially true by comparison with egregious examples of tribalism elsewhere, tends to erase the cultures and roles of minorities in the country. The official perspective was harmonising but supremacist in effect. Simultaneously, “tribe”/ethnicity and specifically the Tswana were an institutionalised element in the Constitution and in the political system.

Tswana predominance remained elevated above public criticism until the late 1990s, when educated, professional elites of at least two minority communities, Kalanga and Wayei, became organised and challenged prevailing ethnic relations. A leading academic, Lydia Nyati-Ramahobo, of the Kamanakao Association, a Wayei cultural pressure group, declared at a meeting in Gaborone in May 2002: “We have a right to talk about our oppression and nobody can [stop us] doing that. We will not stop until we get what we want.” A number of cultural associations came together then to press their case for ethnic equality. And in an apparent counter to minority-ethnic agitation, Pitso Ya Batswana arose to maintain a status quo favourable to the Tswana.

Government responded to the new agitation by establishing a commission of enquiry, but its eventual report was totally rejected by, for example, Kamanakao. This Balopi Commission Report “failed to acknowledge the discrimination enshrined [in] the Constitution, and instead “demonstrated the fragility of democracy in Botswana”.

Opposition to the established Tswanadom was well underway, and respected international bodies, like the UN’s CERD, recognised the significant human rights issues involved – the discrimination contained in legislation, the preferences accorded to Setswana speakers, and official cases of prejudice and discrimination against San.

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41 Ethnologue Report for Botswana, “Languages of Botswana”, 10 November 2003. Outside this schema there are additionally at least some 100,000 so-called Remote Area Dwellers, who are chiefly San/Bushmen but also many Kgalagadi people. Good, Bushmen and Diamonds, c.2.
42 Through a Tribal Land Act, Tribal Territories Act, Chieftainship Act, and a House of Chiefs composed entirely of Tswana members. In July 1999, General Ian Khama, the traditional leader of the largest Tswana community, the Bamangwato, became the country’s Vice President.
43 The Midweek Sun (Gaborone), 8 May 2002.
and Wayei. In 2002 the UN Committee specifically criticised “the on-going dispossession of San people” from the Central Kalahari Game Reserve.  

Ethnic dominance firmly entered the political realm in the 2004 national elections, when an opposition grouping led by the Botswana National Front attacked the “ethnic chauvinism” of the ruling BDP, and promised to create instead a nation with a shared vision of full equality.  

**Diamonds and Non-Accountability**

The diamond industry, as noted, strives to deny openness, and decisions on big issues like the exploitation of potential mines, are restricted to a few senior people. Among the possible consequences of the combination of heavy minerals’ dependency with ethnic predominance are not only potential conflict, but also, in the view of Ross, corruption, non-accountability and the discouragement of dissent. Elitist values and practices remain strong in Botswana’s politics, where the old superiority of a kgosi (chief or king) was based on his possession of both wealth (in his control of productive resources) and political power. Between an elite composed of the chief, other aristocrats and wealthy men, and the common people (and serfs below them until the 1930s), a huge gulf existed. The composition of the ruling elite has altered with diamonds and statehood, but their superiority has not.

Despite the fact that the country ranks high on the indexes of Transparency International, both elite corruption and executive non-accountability were prominently displayed in Botswana in the 1990s. The series of sensational corruption scandals in the NDB, Botswana Housing Corporation and Local Government, involved top ministers and officials, who generally reacted with hostility and refusal to requests for an explanation. Executive non-accountability is a continuing and

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45 Resolutions and statements issued on 23 August 2002 and 30 October 2003.  
47 Ross, *op. cit.*, p.25.  
48 Largely based on the possibly limited perceptions of visiting businessmen. But the problem is precisely one of elite corruption, not of pervasive wrong-doing by police and other such medium to low level gatekeepers.  
49 Typical ministerial reactions were to accuse a journalistic questioner of ‘engaging in a witch-hunt’ and/or, most tellingly, of ‘fostering a culture of abuse’. Incriminating evidence was described as false, while no alternative data, or explanation for apparent malpractice, was forthcoming over weeks. “Corruption and Mismanagement”, pp.513-515.
pervasive tendency in military and broadly defined security affairs, human rights, and the situation of the San.\textsuperscript{50}

Ross adds that mineral-rich governments, enjoying high revenues from resource-exports, “generally spend large sums on their military forces”.\textsuperscript{51} Military spending expanded significantly in Botswana in the 1990s, rising from some P214 million in 1992 to P625 million in 1995, with the latter figure representing slightly less than 5 per cent of GDP,\textsuperscript{52} focused on the building of a large airbase west of Gaborone, and the purchase of fighter aircraft and battle tanks. Though regional security was relatively good at this time, and alternative social problems like poverty called for attention, senior ministers refused to explain these outlays even in parliament, and the latter – i.e., the predominant BDP in parliament -- did not press for an explanation. Military spending remained a sizable 4.1 per cent of GDP in 2003.\textsuperscript{53}

**The Broad Resource-Curse Trajectory**

Diamonds promoted certain forms of economic and political development and restricted or limited others. Minerals revenues boosted most tangibly infrastructural growth, manifestly in communications, health services and education. Fiscal matters were also prioritised, as revenues were successfully managed to establish a strong currency, to build very large foreign exchange reserves, maintain balanced budgets, and achieve high per capita incomes and eventually UMC status. Institutionalisation was enhanced along these lines, in ways which emphasised state planning capacities over representative democratic institutions. Diamonds simultaneously restricted agricultural development, as the political elite utilised export earnings for the importation of food from efficient neighbouring producers, and directed investment

\textsuperscript{52} This ratio was higher than any of Botswana’s regional neighbours, and bigger even than the United States where military spending was 4.3 per cent of GDP in 1994. Good, *Realizing Democracy in Botswana, Namibia and South Africa*, Pretoria, Africa Institute, 1997 Mauritius survives without any military force, and an expenditure on security – coast-guard, police-militia, and intelligence – below one per cent of GDP.
\textsuperscript{53} When Namibia spent 2.8 per cent, Zimbabwe 2.1 per cent, South Africa 1.6 per cent, and Mauritius just 0.2 per cent of GDP on the military. UNDP, *Human Development Report 2005*, pp. 285-286.
away from the domestic sector. Additionally, the diversification of the economy into manufacturing industry was not seriously attempted.

These limited trajectories had important socio-political accompaniments and consequences. None more so than the centralisation of political power in the duopoly of the state presidency and ruling party; the economic concentration on diamonds was compounded by the political concentration of power in a strong executive. The absence of manufacturing also meant that civil society remained small and frail, as skilled working-classes, trade unions, and worker-orientated political parties, emerged only slowly and tentatively. Diamonds in Botswana are a highly capital-intensive, technology-based activity with a work force in the 21st century little over 6,000. A scatter of brewery, milling and precarious textile operations offered little more in permanent, skills-based working-class formation. The fraility of civil society left the mass of people organizationally defenceless and subordinate to the old cattle-owning and newer corporate-bureaucratic elites. Without popular organizations, the centralisation of power went unchecked, and an inherited elitism was buttressed. Democracy was effectively restricted to the brief electoral moment every five years, always with unaltered outcomes.

Continuity became the norm in the growth economy, as a notable complacency developed among the ruling elite through the dark decades of apartheid and dictatorships in the 1970s and 1980s. Botswana readily became highly attractive to the North, as unquestioned exception of prosperity and democracy. Neither the popular capacity for change, nor the perceived need for it among the seemingly successful rulers, existed.

But a watershed was reached in the 1990s, prompted by corruption scandals in the top echelons of government. Doubts began to be raised about the country’s developmental model, and factionalism intensified in the ruling party. People began to express their wish for change by according the opposition, in 1994, its then largest share of the popular vote in its history. A transition in the presidency, however, proceeding over the heads of both parliament and people, appeared to contain the turbulence, while its root causes continued to be ignored.

The political elite which rules in intimate association with diamond mining, elevated above the people, remains hampered by its success-complacency syndrome. It has little capacity for change from within. The centralisation of power in the presidency and ruling party shuts out alternative, critical thinking. The ideology of the
growth economy – rewards to the biggest contributors to that growth rather than help to the needy – effective over three decades, manifestly works less well since the 1990s. Problems accumulate -- diversification, poverty and inequalities, ethnic discrimination, democratisation – which are not being adequately addressed within government. In national elections in October 2004 less than four percentage points separated the votes for the ruling and opposition parties. Yet the subordination of the San minority continues to be rigorously enforced at cost to the country’s democracy.

Prosperous and open at the national level, superficially, indeed rigidly stable, Botswana is in a fix of its rulers making.

The Deeper Social Consequences: Structural Violence and Negative Peace

Farmer sees inequalities, poverty and discrimination as forms of what he terms “structural violence” upon the poor. In the key area of health, the poor are doubly jeopardised – not only more prone to infectious diseases, but also with limited access to the means of improvement. Improving the health of the poor was partly a medical challenge, but even more, he said, a question of human rights. Violence is structured by forces that constrain, through tribalism/racism, sexism, political oppression and poverty, the choices which people might want to make about their daily lives. The “asymmetry of power”, in Guatemala and Haiti, or in Ghanzi and Kgalagadi, “generate a kind of quiet brutality.”

The effects of such constraints, persisting over time, represent similarly conditions of “negative peace”, or tacit, underlying, omnipresent conflict in society, which is sometimes actualised. Botswana’s vaunted stability might thus be better seen as a veneer or crust, covering and unresponsive to important fault-lines and divisions in the society. Such unresponsiveness could exacerbate the latent conflict below.

By 2000-02, Botswana was the worst infected country by HIV-AIDS in the world, with some 280,000 people living with HIV, an incidence rate of almost 40 per cent of the adult population, and with life expectancy falling by half. Perceiving the issue as one of national “survival”, President Mogae responded strongly, and this response shows what can be done with a big commitment, and equally what is not

being done to address other societal problems. The priorities displayed in public spending outlays, for instance, fail to reflect a strong concern for social issues. Expenditure on education fell from 6.2 per cent of GDP in 1990 to 2.2 per cent in 2000-02; outlays on health remained constant at 3.7 per cent; while public expenditure on the military stayed equally firm at 4.1 per cent of GDP.

When the President promised in 2001 to provide free anti-retroviral (ARV) treatment, among the immediate hurdles faced was the need to double the number of pharmacists and lab technicians in the country. A National AIDS Coordinating Council was established and, since Botswana was known to have good state capacity, large external assistance was forthcoming: with two big American foundations each contributing $50 million over five years, with one of them offering ARV medicines free, and with two pharmaceuticals offering ARVs at cost, the government was still said to be spending $1,000 per patient per year, to deliver the three-drug cocktail and blood tests. A gigantic problem had got a powerful response in this wealthy country. Nevertheless, discrimination and denial persisted, and the scope of the response was not universal.

1. The Depths and Effects of Poverty and Inequalities

If intervention here was strong but incomplete, in other problematic areas it was lacking or unhelpful. Poverty and inequalities are at the core of the country’s problems, and their destructive effects permeate widely. Inequalities are rife.

The du- or tri-opoly, of national prosperity, wealth for the few, and poverty for many is established. On recent UNDP (and World Bank) data for the period 1993-2000, 23 per cent of Botswana’s people lived on less than a dollar a day, and some fifty per cent got less than two dollars. The probability at birth of not surviving to age 40, 2000-05, affected 62 per cent of the cohort, adult illiteracy remained at 21.1

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58 ARV treatment was launched in 2002 at four centres, and seven more were subsequently added. “A total of over 11,450 patients [were] on ARV treatment” at the start of 2004. Seventeen counselling and testing centres were then operating, and “about 100,000 people” had received these services. The Prevention of Mother-to-Child programme was available in all public health facilities countrywide, and 11,329 expectant mothers had been counselled – the government aimed to raise the “uptake” here to “above 50 per cent” by early 2005. Republic of Botswana, Budget Speech 2004, p.11. But in a population of some 1.6 million, the numbers endangered were around 640,000.
per cent in 2002, while the numbers of people experiencing chronic food insufficiency was worsening, from 18 per cent in 1990-92, to 24 per cent, 1999-01.\textsuperscript{60}

Severe inequalities sharpened the impact of poverty considerably. While the richest ten per cent got 56.6 per cent of national income, and the richest twenty per cent commanded 70.3 per cent, the poorest twenty per cent of people received only 2.2 per cent, and those in the very bottom decile got 0.7 per cent of the country’s income. The gap between the top and bottom deciles was 77.6, and the Gini coefficient, a comparative measure of inequality, was 63.0; only Namibia and Lesotho had worse inequalities in this report.\textsuperscript{61}

Inequalities in cattle ownership were not dissimilar. 2.5 per cent of farming households owned 40 per cent of all cattle, according to the Botswana Human Development Report 2005, while unofficial estimates indicated that around 70 per cent of rural households had no cattle. Denied investment, agriculture was being hollowed out, economically and socially. In the rich but undiversified economy, cattle remained for many “the only effective means” of attaining income above subsistence levels.\textsuperscript{62}

Cullis and Watson noted that about 29 per cent of rural households were not actually engaged in agriculture, in 1981, while ten years later some 42 per cent of people were in this position. Towards the end of the 1990s, many rural families were effectively excluded from agricultural production and obliged to rely on “itinerant casual labouring for their subsistence.”\textsuperscript{63} In Ghanzi and Kgalagadi districts particularly, poverty was endemic and structural. Some were supported only by parsimonious destitute handouts.

The Foreign Minister, General Mompati Merafhe, recently testified to the depth of poverty in a large part of Ghanzi district, the CKGR. A report of 1996, he said, described the Reserve as “a poverty trap”, with over 53 per cent of the inhabitants dependent on destitute food rations, and with 87 per cent of respondents having received “no education at all”. He recognised that “landlessness is the primary indicator of poverty”, and noted further that “absolute poverty [was] on the increase” in the CKGR. When he also said that “most of Botswana’s poor live in this region of

\textsuperscript{60} HDR Report 2004, pp.148 and 162.
\textsuperscript{61} Ibid., p.90.
\textsuperscript{62} Clover, op.cit., p.4.
the country”, he severely underestimated the numbers of those in poverty – fifty per cent of the population of some 1.6 million get below two dollars a day – but extended oblique recognition to the deep impoverishment of the San.

Emphasising the causality between diamonds’ wealth and poverty, the data shows a deterioration in human development in Botswana occurring during periods of rapid growth, as in the 1990s. The Human Development Index is a reputable measure of national well-being, and on figures for 2003, reported recently, Botswana had a ranking of only 131, with a HDI value of 0.565, out of 177 countries examined by the Programme. The trend in the country’s HDI index has been downwards for more than a decade; from a high of 0.681 in 1990, to 0.659 in 1995, through 0.596 in 2000, and to 0.565 in 2003. Poor developing countries, with low or negative growth rates, such as Cape Verde and Guyana, enjoyed higher HDI rankings than rich Botswana on the latest figures.

Poverty and inequalities were of course in no way accidental or ‘God given’. Government support and subsidies – the latter worth possibly some 50 per cent of production costs – made large livestock ownership very attractive; the practice of ‘dual grazing’, generous veterinary services, very low rents on leasehold ranches, favourable taxation and slaughter policies, for example, brought undoubted benefits to “highly placed members of the government and party” who were at the same time “wealthy cattle and borehole owners”.

The position and numbers of the very poor, and official policy towards them, contrasts sharply. “Destitution” is a stigmatised status in Botswana, but while the country’s population grew by some 60 per cent between 1980 and 1996, the number of permanent destitutes rose by 300 per cent, to a figure of 15,597 people. The rate of permanent destitution per 1,000 of population, was highest in Ghanzi, 1995-96, with 59.9, and next most severe in Kgalagadi, where it was 46.2. While possession of

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64 The Minister was addressing ambassadors and other diplomats in Gaborone, and attempting to justify the government’s policy of relocating San people from the CKGR. *Tautona Times*, 29 October 2005, pp.16-20.
65 While 21 countries recorded a drop in HDI, 1990-01, Botswana was the only one to do this while enjoying fast growth. Clover, *op.cit.*, p.1.
66 Libya, with an HDI ranking of 58, was the highest in Africa in 2003, followed by Mauritius on 65 and Tunisia on 89. Cape Verde was 105 and Guyana 107. *HDR Report 2005*, pp. 224-25. The data shows too that Botswana’s HDI had risen strongly between 1975 and 1985, a time when the country’s agricultural sector had greater viability.
some cash income is widely recognised as a pre-requisite of citizenship of any meaningful kind, only goods-in-kind are available to destitutes. And these are intended for mere physical survival, not for a semblance of normal life.

Here again poverty’s impact was compounded. Not only was “so little” offered to the very poor, but only “so few” received even this, Bar-On reported. On data for Gaborone, for instance, sixty-six people qualified for social assistance in 1997, when its population was some 153,000, and when, by conservative estimates, the number of recipients “should have been at least fifty times higher.” Official policy “fail[ed] many of the very poor completely.”

The weakness of civil society within the undiversified economy, exposes vulnerable groups to authoritarian action. Scanlon’s work showed that civic groups are “viewed negatively by those in authority in Botswana”, and the relationship between them and government was an “uneasy one”. The engagement of civil society in human rights was “not welcomed” by the state. Talk of equality and rights was perceived as endangering authority, in high-schools, households, work-places, ethnic hierarchies and government. Hostility was expressed, for instance, in the House of Chiefs towards the women’s rights group, Emang Basadi, in January 2004, after they had for years emphasised their “collaborative efforts with government…at many levels”, working deferentially and carefully within the system.

Refugees were forcibly returned to Namibia in December 2003, where their lives and liberty were under threat, and alleged criminals and murders have been denied due process and respect for their rights. Capital punishment is an area where an accused is not always accorded a fair trial; their legal representation is often inadequate, and they suffer also from “the lack of transparency of the procedures of the Clemency Committee and the secrecy [and speed] of execution”. Two San men, sentenced to death for manslaughter in 1997, typified those most vulnerable here. Thanks to an eleventh-hour intervention by Ditshwanelo, they gained a stay of execution, and an appeal judge subsequently found that they were “illiterate, suffer[ing] from difficulties of communication”, and “without resources”, and were denied a fair hearing.

71 Good, The Liberal Model and Africa, p.64.
Ethnicity and poverty are conjoined in Botswana in areas like access to land, as its scarcity value increased. Cullis and Watson reported that annual market transactions of state and freehold land “increased by about 56 per cent”, 1992-2001, and tribal land transfers also rose. Mogoditshane, close to Gaborone, experienced an increase of 93 per cent in property transfers each year over this time. “Certain sectors of society [were] marginalized in this process”, either because they were “insufficiently wealthy or disadvantaged in law.” The latter included women, ethnic minorities, those with HIV-AIDS, and of course the poor – Land Boards in practice, allocated land according to a person’s ability to use it. The researchers believed that “land use conflicts had increased as pressure on land use grew and people [were] pushed to the margins.” Conflict existed, they believed, between cattle and wildlife; between cropping and livestock; and between livestock and wildlife, on the one hand, and San and other Remote Area people, on the other.72

2. Victims of Bureaucratic Development

Conflict between San and diamonds dependency too. San possess no secure rights to land, they are impoverished and deeply dependent, and have been subject to enforced or coerced removals in favour of cattle, wildlife and tourism, diamonds, and the furtherance of bureaucratic developmental plans, in many times and places. That bottom ten per cent of population, who receive only 0.7 per cent of the country’s total income, would refer in the main to San and their related minority communities of the very poor.73

The present day policy of the relocation of San from the CKGR has been pursued with great rigidity. Beginning in 1997, and speeding-up in 2002, some 2,000 people were removed from lands which the communities had long inhabited, by a mixture of blandishments, coercion and enforcement. This has continued despite strong criticism of the action, not least from British and European Union parliamentarians, American senators, and from the United Nations. San groups, like the First People of the Kalahari (FPK), with only rudimentary organizational and financial resources, are pursuing the issue of the people’s rights to reside in the Reserve through the courts. President Mogae said in November 2002 that the people who had left the Reserve had done so under a written agreement that denied them the

73 Again, the government acquires no census data on an ethnic basis, and seemingly underestimates the numbers of San/Basarwa in the country, but informed opinion suggests that San and other Remote Area Dwellers total up to 150,000.
right to return. He affirmed that the removals continued: “If anything, we are about to witness a more aggressive and expedient implementation of that policy”. The supply of vital services like water to the Reserve was stopped, small-stock removed on quarantine grounds, and movement in and out tightly controlled. Foreign Minister Merafhe had reportedly stated unequivocally in London in late 2003 that “we put these people...where we want[ed] them to be.”

The removals have proceeded too despite the fact that, twenty years after the initial decision on the relocation of San and Bakgalagadi from the CKGR was made, in 1986, the government had still not developed an overall plan for the future lives and well-being of those it removed. As Merafhe blithely informed his diplomatic audience in October 2005, “it is Government’s intention to develop a Management Plan” for the Reserve. A Draft Final Management Plan existed, but “has been stalled by the ongoing Court case.” How and why it had been delayed by proceedings that began only in the last year, he did not say.

He revealed that the Draft Plan “envisages that 21 per cent of the Reserve to be made available (sic) for the exclusive use of the communities [in the new settlements] of Kaudwane and New Xade” outside the CKGR. “No hunting or permanent villages will be allowed”, but communities will be “given the opportunity to collect veldt products and develop tourism ventures...in the Reserve.” He stressed that no community in Botswana had ever enjoyed exclusive access to a national reserve. But neglected to note that, when the Reserve was established, San/Bushman had special rights to its whole territory, with no restrictions on the permanency of their villages, and with their rights to hunting upheld. And this Draft represented only an intended development, and a Management Plan of, if not entirely for, the government. Mompati Merafhe invited no contributions from the FPK, or other autonomous groups, to its further development. As before, San were apparently expected to fall into line with governmental intentions, or be marginalised as opponents of modernization.

The record of the democratic Botswana government to equitable, participatory discussion, as Scanlon noted, is poor. Civics, neither strong nor numerous in the

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75 This 21 per cent of the CKGR was “over 17,000 sq.kms”. in size. Tautona Times, 29 October 2005, p.17.
76 Ibid., p.17.
undiversified and quasi-authoritarian political economy, have endeavoured to adopt a subordinate and accommodationist approach to government. Not only do they accept the need for patient working within the established system, but some, like Ditshwanelo, and the Kuru Family, have been ready themselves to criticise other, foreign groups, that took a stronger, critical approach. The former, the country’s only human rights organization, suggested that the use of “abrasive” language only produced negative responses from government, and declared in November that an “aggressive name-and-shame approach…is not one which African governments react to positively.” Kuru went further, denouncing the tactics of Survival International directly, its use of headlines like “ethnic cleansing reaches final stage”, and even stating that other groups in Botswana feel the same way, and worse, about Survival: “We’re afraid of them,” Kuru’s Braam Le Roux said, “I think there’s a general fear amongst NGOs and everyone out here [about] Survival International.”

But the co-operative, subordinate posture which civics in Botswana have adopted has not won them notable success. The government’s own public discourse sometimes contains more than a hint of violence and misrepresentation. President Mogae told the Civicus World Assembly, meeting in Gaborone in March 2004, that there were “a few NGO’s whose agendas pose an actual threat to the livelihoods of those in the developing world,” and he referred to “a certain extremist NGO that has relentlessly attacked this country”, supposedly because of his government’s commitment to ensuring that all of our citizens gain access to the benefits of development. His press secretary referred to “The Big Lie”, which concerned he said “ignorant and misinformed reporting” about Botswana internationally, when “you should be able to see for yourselves (sic) that the supposed issue of diamonds in the CKGR is a cynical red herring promoted…to intimidate and blackmail our nation…”

Stern intolerance is sometimes actualised not only to supposedly backward, recalcitrant San, but also to critics and criticism. I was expelled from Botswana inside seven hours on 31 May 2005, when the High Court affirmed that presidential power

78 South Africa is of course unlike Botswana in its level of development and in its participatory democratic heritage of the 1980s, but the tactics of the Treatment Action Campaign are still important, for their strength and aggression, and for the policy successes, and public plaudits, which they’ve won. Bushmen and Diamonds, pp.25-33.
79 Tautona Times, 31 January 2004, pp.1-3. That “extremist NGO” had earlier been publicly labelled as “a terrorist organization” by the government.
unquestionably overrode individual rights of free speech. Soon after, two foreign journalists working in the country were obliged to leave within a week. When the editor of Mmegi, reacting to an important by-election in Gaborone, urged voters, on 14 October, to support the opposition candidate – because “Botswana need[ed] a strong opposition to keep the ruling party in check” -- the response was swift. On 18 October, the BDP accused the editor, Mesh Moeti, of unprofessional, biased and irresponsible reporting. On 27 October, presidential spokesman, Jeff Ramsay, visited Mmegi ostensibly to deny prevailing rumours that the government was intending to stop placing advertisements in the private press – as it had indeed done in 2001 in response to criticism in The Guardian newspaper -- and to affirm the distinction between the government and the ruling party. The next day, Mmegi announced the resignation of its editor, and said that Mesh Moeti would leave his position, which he had held for 18 months, “at the end of October.” The authoritarian element within the liberal democracy was clearly unveiled.

3. Inequalities Kill

Extreme inequalities, the UNDP has begun to emphasise, “weaken political legitimacy and corrode institutions.” Inequalities in income and human capabilities often reflect inequalities in political power. Disadvantaged groups are disadvantaged party because they have a weak political voice, and their voice is not heard because of their disadvantages. “Chains of inequality-disadvantage” operate within countries, and those with a Gini coefficient above 50 are in the high inequality category. In Brazil, with a Gini slightly lower than Botswana’s, the poorest 10 per cent account, as in Botswana, for 0.7 per cent of national income, but the richest 10 per cent receive 47 per cent, or 9.6 per cent less than their counterparts in Botswana. Inequalities in Zambia are described as very large, but the gap between the richest and poorest 10 per cent is 42, not 76. Average income in Brazil is three times higher than in Viet Nam, but the poorest 20 per cent of Brazilians receive an income well below the average.

80 The front-page article was firm and reasoned. It said “Vote Moupo” because “the conduct of those in power sometimes betray a ruling party elite that has no respect for the principles of a democratic republic”; that the “ruling party shows worrying signs of intolerance for dissent”; and noted “concern about the continued independence of the judiciary”. This was the first time that all opposition parties had rallied behind a single candidate, and Otsweletse Moupo romped home.
81 “BDP reports Mmegi to Media Watchdog”, Mmegi, 19 October 2005.
82 Reporting Ramsey’s visit, Bame Piet noted that “a BDP senior member” had said on GabzFM in 2004 that government and BDP are one and the same thing, and suggested that other private newspapers were being denied government advertising. Mmegi, 28 October 2005.
83 Mmegi, 28 October 2005.
84 All quotations and data here are from the UNDP, Human Development Report 2005, pp.55-61.
income in Viet Nam. The poorest 20 per cent of the population in Britain, similarly, have incomes comparable to that of the poorest 20 per cent in the Czech Republic, a far less wealthy country. Viet Nam, described as a “dynamic high-growth economy”, suggests the “positive benefits” that derive from lower inequalities.

Income inequalities “both reflect and affect wider life-chance inequalities”. In Bolivia and Peru infant death rates are four to five times higher for children of the poorest 20 per cent of people than children of the richest 20 per cent. Inequality deprives people of substantive freedoms and choices, regardless of their formal legal positions.

Comparisons between low-income countries and high-inequality countries, like the United States and Britain, reveal the heavy impact that inequalities have on people’s health. Malaysia, with an average income one-quarter that of the United States, has the same infant mortality rate as rich America, and the Indian state of Kerala has an urban infant death rate lower than that for African Americans in Washington, DC.

Regional disparities in many countries are a “major source of inequality”. In Brazil the infant mortality rate is 52 deaths per 1,000 live births in the poor north-east, but only 20 in the richer south-east. Living in a rural area is often a “marker for disadvantage”. In Ghana the incidence of poverty is 2 per cent in the capital Accra but 70 per cent in the rural savannah.

San peoples’ own understanding of their subordination and deprivation are presented, as they were recorded, by Le Roux and White. A speaker in Dobe: “Illiterate people like us, who earn so little money, feel they can just as well spend it all on alcohol…their money is anyway never enough to buy the kind of things that would last”. Another reported that “her mother died in the hospital in Gumare. She was killed by a man who was building the Anwa clinic. My mother was selling traditional beer” when the man started a drunken brawl, and began “beating and kicking her, with my brother still on her back. She fell down and he left her there and went away”. A person in Tsodilo: “At school we were given clothes and things by the RAD Programme (RADP), and the others said that we just belonged to the government…One of my friends was so ashamed and she would not go and collect her things from the RADP.” Geru Mannanyana of Tobere said that “today we do not have anything of the life that the government said we could have after…independence”, and our “tradition and culture” have gone too. And for Kotsi
Mmaba of Sekondomboro, impoverishment and inequality was the perceived core of the problem: “I think the reason why San people have lost their language is what the old people told me: they were poor people and the others were rich, and so they started to learn the others’ language and culture so that they could get food from them to live…”

Considerable historical and comparative evidence suggests that, put simply, inequality kills. On evidence presented and assessed by Wilkinson, extreme inequality produces sickness, violence, depression and death. However rich a country may be, it will be more dysfunctional and dangerous if the gap between the rich and the poor grows very wide. Life expectancy, for example, in rich countries correlates closely with levels of equality. Greece, with half the per capita GDP, has longer life expectancy than the United States, the richest and most unequal society, with the lowest life expectancy, in the developed world. The people of Harlem live shorter lives than those of the people of Bangladesh. Human Development is higher in markedly poorer African countries than in richer but deeply inequitable Botswana. The stress of living at the bottom of the social hierarchy, the stress of disrespect and the lack of personal esteem, produces sickness and death. Cash and land represents status, and very low or no pay tells San and others of the very poor in Botswana just how little they are worth to those around and above them.

Inequalities in Botswana, growing out of deep diamonds’ dependency and an elitist, highly centralised state, cripple democracy too, in the deepening gulf existing between the poor and the wealthy, between the weak masses and the powerful elite. Bridging this gulf, which ramifies in regional and ethnic terms, is no mean task for those who seek change, against an elite hostile to criticism. Electoral participation is notably low in Botswana – the turnout of eligible voters was only some 48 per cent in 1999. It rose to 50 per cent in 2004, when the combined opposition vote reached an all-time high of 48 per cent, only four points short of that for the BDP.

Low turnout can be seen as people’s appropriate abstension from an inequitable, predominant-presidentialist system. But it also represents now a large untapped reservoir of support for a party offering a realistic programme for change,

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87 In general elections in Mauritius in 2005 turnout was 81 per cent.
which has succeeded in establishing itself in the eyes of the people as a viable alternative government. Pressures for change derive from the 1990s, and they begin to take more concrete form. Opposition unity was displayed in the October by-election in Gaborone. Key political problems for democratisation are being recognised. Polls show that a firm majority support the introduction of a popularly elected president, and they also support popular election in the event of a presidential succession. Support for change on both these crucial issues was “widespread”, drawn differentially from both urban and rural areas, and across the three main parties. Both the election of the president and presidential succession are issues which will remain firmly before the public down to and beyond 2009.

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88 63 per cent of respondents supported direct election of the president, with 55 per cent of BDP supporters agreeing, and another 57 per cent of those polled wanting to change from the current system where the vice-president automatically succeeds to the presidency. Afro Barometer, Botswana Briefing, 30 August 2005, pp. 1,3,4 and 6.

89 If Botswana conceives of itself as Africa’s oldest liberal democracy, the United States does so too for the world. But new research recognises that the Republic was “not democratic” at the outset, “nor did those in power wish it to be.” When reform began in the 19th century, “it was a halting process”, largely the result of “the new economic and social realities” of the country’s expansion, and the “aggressiveness of party organisations”. Review, “American Democracy: the People’s Road”, The Economist, 29 October 2005.