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# Economic conditions and election outcomes in Botswana: Is the relationship spurious?

**T. C Matsheka  
& M. Z. Bothomilwe**

Democracy Research Project  
University of Botswana

## Abstract

*This article reviews the economic and political developments in Botswana in the election years 1989, 1994 and 1999. The aim is to gauge the extent to which the economic conditions upon which elections take place have any effect on the outcome of elections. To the best of our knowledge, this article represents the first known attempt to systematically evaluate the relationship between economic conditions and election outcomes in Botswana. The article discusses the performance of political parties and the possible reasons for such in the specific election year. The discussion is later tied to the review of economic conditions with a view to possibly postulate a relationship between the two. It is concluded that economic factors have played a significant role in the voting behaviour of the electorate in Botswana. Perhaps not surprisingly so since man is by nature economic.*

## Introduction

All political history shows that the standing of the Government and its ability to hold the confidence of the electorate at a General Election depend upon success of its economic policy (Harold Wilson, 1981).

There are two notable characteristics of Botswana. First, the country is the longest serving democracy in Sub-Saharan Africa. Second, that the economy of the country has experienced the fastest growth rates of income, and at some point, in the rest of the world. The country has as such been referred to as the "shining example" for democracies around the world, and for the nature of economic policies that have been adopted since independence. The Botswana Democratic Party (BDP) has won all the elections that have been held since 1965. A number of factors have been advanced to explain voter choice in National Elections (Holm, 1988; Holm and Molutsi, 1992; Danevad, 1995; Good, 1996, 1997). However, these writings on electoral choice in Botswana have placed disproportionate emphasis on political factors, disregarding economic considerations that are also important. This paper discusses the victory of the BDP in each selected election year taking into account the difference in economic performance.

## Overview of the Literature

Since obtaining independence from Britain in 1966, Botswana has held multiparty elections every five years. This has earned the country a reputation of being the longest surviving democracy in Africa (Wiseman, 1998). Interestingly, however, only one political party, Botswana Democratic Party (BDP), has won every election. This means there has never been a change of government in Botswana, which necessarily raises important questions about the voting behaviour of the Botswana electorate. The issue of how people vote is complex since it is influenced by numerous factors.

In long established democracies such as Britain, the issue of voting behaviour has been subjected to rigorous scholarly analysis. Initially the most dominant theory in voting behaviour in Britain was that people vote largely on the basis of class (Butler & Stokes, 1974). Following the loss of appeal of this model, economic models of voting have taken over. According to Johnston and Pattie (1999) economic models of voting behaviour have in the 1980s and 1990s, been accurate in predicting party choice in Great Britain. These

models have provided support for the 'reward/punish' model of voting behaviour. Also known as the 'responsibility hypothesis' (Swank and Eisinga, 1999), this model holds that in times of economic prosperity the electorate reward the party in government by voting for it and punish it by redirecting the vote to other political parties in times of economic difficulties. Johnston and Pattie (1999: 47) argue that this 'implies that government parties should lose support from those feeling financially disadvantaged by their policies, but should gain it from those who are benefiting but formerly supported another party'. Thus voters' economic evaluations guide their voting behaviour.

The importance of this model cannot be overemphasised. In each and every society life is about economics. Material conditions are probably the most important in one's life and when electoral decisions are made, such conditions are at the forefront. In a longitudinal study in Britain (1991-1994), Johnston and Pattie (1999) confirmed the reward/punish model of voting. Sanders (1996) also found that economic conditions have influence on party choice in British politics. In a study of the 1992 British general election Pattie and Johnston (1997) also found that economic conditions have a bearing on party choice. 'Voters who felt their own households were getting worse off were less likely to stay loyal to the government, or to switch their support to it, and were more likely to defect from it than were voters who felt they had become better off' (Pattie and Johnston, 1997: 94).

Butler and Stokes (1974) confirmed this thesis in relation to the British electorate. In a study on the Netherlands, Swank and Eisinga (1999) found that the responsibility hypothesis holds. Stone (1989) also found that economic conditions guided the behaviour of voters in Jamaica during the 1989 elections which saw the ruling Jamaica Labour Party (JLP) losing power to the opposition People's National Party (PNP). This indicates that the reward/punish model also applies to democracies in developing countries.

In Botswana, academic literature has almost completely ignored the issue of voting behaviour. Some commentators have argued that the Botswana electorate vote largely on the basis of ethnicity (Holm, 1988, Molutsi and Holm, 1990, Holm, 1996, Holm, 1999). We find the emphasis on ethnicity in party loyalty in Botswana exaggerated for a country that is rapidly urbanising. The United Nations Development Programme (1998) estimates that by the year 2015 Botswana will be 89 percent urbanised.

Holm (1988) argues that one of the characteristics of political parties in Botswana is their reluctance to raise and debate issues. The campaign tactics employed in the politics of Botswana also exacerbate this problem. 'Freedom squares' are highly informal and the hailing of abuse at political opponents is very common at such places (Lekorwe: 1989). Charlton (1993: 352) alludes to the fact that 'there is a clear correlation between attendance and sensationalism, usually in the form of character assassination'. Wiseman and Charlton (1995) also underscore the same point.

Although Molutsi and Tsie (1990) record that mud-slinging is declining there is no doubt that it is still a significant characteristic of the politics of Botswana. This lack of interest on issues by political parties results in the electorate becoming ignorant and even indifferent to problems that directly affect them such as unemployment.

The 1994 opinion poll carried out by the Democracy Research Project of the University of Botswana (DRP) found that 22.2 percent of the sample support a particular political party on the basis of loyalty (Maundeni, 1995). This trend is consistent with what is happening in Western countries (Charlton, 1993). In the same DRP study 34.1 percent of the sample claimed to support a political party on account of the issues it raises. This issue-based type of voting behaviour is known as the rational choice approach (Ball, 1988) and is consistent with the reward/punish model. Ball (1988: 124) further argues that 'there is strong evidence that the state of the economy at the time of the election is a powerful determinant of electoral behaviour'.

The 1994 opinion poll further reported that 52.4 percent of the respondents stated that unemployment in Botswana was caused by poor/wrong/failed government policies.

The respondents to a recent University of Botswana Democracy Research Project survey done before the 1999 election also attempts to help address the question of whether the elections in Botswana are issue based or not. And whether these are related in any way to the appreciation of the performance of the economy. The survey was conducted in 15 constituencies, namely Gaborone West, Gaborone South, Gaborone Central, Lobatse, Selebi-Phikwe, Francistown East, Francistown West, Maun/Chobe, Mogoditshane, Moshupa, Kanye, Shoshong, Serowe North, Kgatleg East, and Ghanzi.

There does not seem to be any significant bias since the number of urban and rural constituencies in the sample are roughly equal. The sample size was 4 365 respondents. The issues identified by the respondent in the order of importance are unemployment, HIV/AIDS, youth unemployment, education, poverty, crime, health and rape. It is noted that 56.1 percent of the respondents regarded unemployment as the most pressing issue in Botswana. The others are HIV/AIDS (28.2%), youth unemployment (27.4%), education (26.2%), poverty (17.8%), crime (13.2%), health (13.1%) and rape (8.7%). The rest of the respondents in each category of pressing issues were unable to state their position.

This may suggest that the behaviour of the electorate in Botswana, at least from the late 1980s, conform to the reward/punish model of voting which is very dominant in western democracies. As a country urbanises and more people receive education traditional modes of voting such as ethnicity and party loyalty diminish in favour of rational modes of voting. Urbanisation and education also reduce the explanatory of Tsie (1996) that patron-client relationships have been important in the electoral dominance of the BDP.

Barro (1996:10) had this to say about the future of democracy in Botswana, that "two other African countries, Mauritius (which is not actually African) and Botswana, have maintained democratic institutions for some time, but the analysis still predicts that political freedoms will diminish in these places". His results indicate that Botswana had an index of 0.83 level of political freedoms in 1994 and that this is expected to decline to 0.66 in the year 2000, and thereby enjoy less "democracy". This is interesting because Botswana has recently undertaken a review of the electoral process, by, among other things, reducing the voting age from 21 to 18 years and establishing the Independent Electoral Commission (IEC) both of which would have been expected to increase political freedoms and voter participation. In addition to these factors, the eligible voters residing abroad could vote for the first time. Perhaps the answer lies in how the index is calculated or even in the possible relationship between economic prosperity and democracy. In that economic development is usually expected to lead to higher levels of democratisation, and that because the economic performance has not resulted in the expected results in so far as unemployment and income distribution are concerned, democratic freedoms would decline in Botswana.

The reason given by Barro (1996:11) is that "political freedoms tend to erode over time if they get out of line with the country's standard of living". This suggests the importance of economic variables in the enjoyment of political freedoms without giving any indications of the direction of causality. Nonetheless, it is recognised that the right to vote is a duty and not a requirement of the law, and therefore the decision to exercise that right rests squarely with the individual (Vowles and Aimer, 1993). And also that there are many variables that are important in influencing voting decisions.

### **Election Outcomes**

Botswana's monumental economic growth has been accompanied by one-party predominance. As indicated in Table 1.0 below, the ruling Botswana Democratic Party (BDP) has, since the pre-independence elections of 1965, won every election with an overwhelming majority except the 1994 election.

It should be observed, from Table 1.0 that prior to 1999 other political parties, except the Botswana National Front (BNF), are not included because of their grossly insignificant

share of the total vote. This can also be observed from the Botswana National Front percentage share of the total opposition vote. Notably, the Botswana Alliance Movement (BAM) which was formed in 1999 is an alliance between Botswana People's Party (BPP), Botswana Independence Party (BIP) and United Action Party (UAP) popularly known as Bosele. The BAM and BCP were therefore participating for the first time in the 1999 national elections.

The distribution of votes among political parties in Botswana indicates the progressive erosion of voter support for the Botswana Democratic Party and a steady rise of the opposition share of the vote, especially by the Botswana National Front. The Botswana Democratic Party's share of the vote in percentages has been as high as 80.4 percent in 1965, and declined to 64.78 percent in 1989.

The worst election performance for the Botswana Democratic Party was in 1994 when for the first time the party obtained 55 percent of the total votes whereas the opposition Botswana National Front obtained 37.09 percent.

**Table 1.0 : Electoral Performance of Major Parties in Botswana: 1965-1994**

	1965	1969	1974	1979	1984	1989	1994	1999
BDP % share of vote	80.4	68.6	76.6	72.5	68	64.7	54.59	57
BAM % share of vote	-	-	-	-	-	-	-	5
BCP % share of vote	-	-	-	-	-	-	-	12
BNF % share of vote	0	19.6	11.5	12.9	20.4	26.9	37.09	26
Opposition % share of vote	19.6	31.4	23.4	24.8	32	35.2	45.41	43
BNF % opposition vote	0	62.4	49	52	63.75	76.5	81.6	60.5
BDP no. of seats	28	24	27	29	29	31	27	33
BNF no. of seats	0	3	2	2	4	3	13	6
Opposition Seats	3	7	5	3	5	3	13	7
% National turn-out	74.5	54.9	31.2	58	77.6	68.2	76.6	77.6

Sources: Wiseman (1998) and Mmegi, 22-28 October 1999

It should be observed, however, that the Botswana Democratic Party's share of the vote has declined steadily since the elections of 1974. The decline represents 25 percent points since the pre independence elections, and 10 percent points between the elections of 1989 and 1994. And 'over the same period, in sharp contrast, the Botswana National Front has seen its popular support treble in size, from 12 to 37 percent of the total vote, with a rise of ten points between 1989 and 1994' (Good, 1996:53). The percentage vote of the BDP increased from 55 percent in 1994 to 57 percent in 1999 while that of the BNF fell from 37 percent to 26 percent in the same period due to the near disintegration of the latter party.

There are two additional factors that are advanced for these out-turn of elections. Firstly, the changing fortune of the economy over time. The 1990s marked an end to the economic boom, which may partially explain the poor performance of the BDP in 1994

and the rise of electoral support for the BNF. Moreover, rapid economic growth gives rise to conditions conducive to the emergence of a strong opposition, and interest groups. Rapid urbanisation, for example, has the effect of bringing about problems of unemployment and housing shortages. Secondly, others have contended that the not so good performance of the BDP in 1994 was a result of complacency that emanated from many years of being in government and presiding over a booming economy. However, much as a boom provides electoral stability for the BDP it also brings about conditions inconsistent with the stability required to ensure continued stay in office, especially when the majority does not share in the benefits of such prosperity. As such, economic stagnation prepares fertile ground for the opposition to convince the electorate of the failure of the BDP to deliver on its election promises.

The 1994 elections marked a watershed in the politics of Botswana. They signalled a movement away from 'a dominant-party system to a semi-dominant party system' (Wiseman, 1998:259) thus creating a possibility of a change of government in the not too distant future. In fact, the outcome of the 1994 elections led to speculation that the BDP may lose the 1999 elections. The speculation was dealt a blow by a number of factors. Firstly, the split within the BNF, which saw the defection and subsequent formation of a new political party, the Botswana Congress Party (BCP), by some members disgruntled with the party leadership. Eleven of the thirteen BNF Members of Parliament joined this party.

Secondly, the government, as is customary, awarded substantial salary increases of 25 percent to civil servants. This salary increase was considered likely to pay political dividends for the BDP. Thirdly, the introduction of the Micro Lending Scheme, that was presented as a generous award of funds to the public. Fourthly, the huge resources at the disposal of the BDP allow for an effective campaign throughout the country. The party received funds, for political campaigns, estimated at P3 Million (Three million Pula) from anonymous sources. In a country of Botswana's size, and sparsely populated, funds are undoubtedly important for an effective political campaign. The BDP is able to attract funding, an advantage the opposition do not enjoy.

These factors are considered to have had an bearing in the outcome of the 1999 general election, which may suggest departure from a traditional consideration of voter behaviour, which has characterised the literature to date.

### **Overview of the Economy**

So much has been written on the achievements and failures of the Botswana economy since independence (Oomen et.al, 1981; Harvey and Lewis, 1990; Salkin et.al, 1997, to mention a few). The growth performance of the economy has confounded expectations because of the economic conditions prevalent when independence was attained from the British in 1966. The exceptional performance and the transformation from severe poverty and the dire financial conditions have been described by some as a "miracle" (Harvey, 1992), or a success story of Sub-Saharan Africa (Thumberg-Hartland, 1978) and recently as the richest nation in Sub-Saharan Africa (Siddiqi, 1999). The World Bank (1989) has simply described the economy as the fastest growing in the last decade and a half.

At independence, Botswana was among the poorest countries in the world with a per capita income of only \$100.00 per annum. The economy had also inherited very little infrastructural developments from the British colonial government. There was only fifty-four miles of tarred road and no real communications or power networks. The economic prospects were very poor with few Botswana educated to high levels, which necessitated the recruitment of expatriate labour to fill the void. The coffers of government were so low that British aid was needed to fund both the development and recurrent expenditures. The financing of the recurrent budget continued until 1973 when the government was able to cover recurrent expenditures.

This dire financial position changed with the discovery of diamonds and, on a lesser

scale, Copper and Nickel. Due to these the country experienced increased growth in the provision of health, social infrastructure and employment. In terms of the growth rate of real Gross Domestic Product, the economy has moved from among the poorest in the world to a current classification in the middle income group of countries. The rate of economic growth during the period 1965 to 1980 and 1980 to 1989 was 13.9 percent and 11.3 percent respectively.

The growth and development of the Botswana economy after independence can be explained by the following factors. First, it was the end of a major drought of the 1960s, which killed most cattle in the economy. It should be noted that the cattle sector was a major source of livelihood for the majority of the people. The agricultural sector contributed 45.2 percent of total Gross Domestic Product in 1968. This is mentioned to demonstrate the importance of agriculture to economic activity then and the increased prevalence of poverty in Botswana. The agricultural sector now contributes 3.1 percent of Gross Domestic Product in 1998, thirty years later. Second, access to the European Community market, at above world prices, for beef exports. Third, was the re-negotiation of the South African Customs Union Agreement (SACUA). Fourth, increased inflows of aid from a wide range of donors. Finally, and most importantly, the discovery of rich diamond deposits in Orapa in 1967.

### **Economic Conditions in the Election Years**

*The 1989 Election Year:* In 1989 the Botswana Democratic Party won the General Election with the support of 65 percent of the voters. The 1989 election took place upon the most favourable economic conditions ever enjoyed in the country making the year the most remarkable in the economic history of Botswana. As the Bank of Botswana (1989:1) stated, "the year 1989 marked the end of a decade that would stand out in the economic history of Botswana as a period of unparalleled economic growth". The growth rate of output had been maintained at an average rate of 12 percent per annum. This made the country one of the fastest growing in the world in that decade.

This remarkable growth rate of output translated into an annual growth rate of 7 percent in per capita income over the period 1979 to 1989. This is despite the fact that the economy had to stockpile diamonds in 1981/82 due to reduced demand in the industrialised countries. This meant that the country took a set of stringent measures to restore macro-economic balance, including some of the most unpopular measures such as not awarding inflation adjustment increases to public sector workers. However, the diamond market strengthened in 1984, and by 1987, the country had sold the accumulated stockpile to the rest of the world.

This was the beginning of the recovery and strengthening of the diamond market. The performance of the diamond market was so impressive that the Bank of Botswana (Ibid. p.1) described it as "spectacular". There were other developments in the economy, though. The Sua Pan project was under construction with an estimated employment potential of 500 jobs. The manufacturing sector had also experienced increased growth and reported to have recorded a growth rate of about 7.5 percent per annum.

The construction sector, which had slowed down because of the water restrictions, recovered between the years 1985 and 1990. The recovery was also due to the following factors: higher than expected growth in government revenues, which translated into increased government expenditures, and the Accelerated Land Servicing Programme launched in 1987. This phenomenal growth development of construction projects in the period translated into increased employment; total employment by the construction sector doubled between 1982/83 and 1987/88 and reached 22 200.

Total formal employment increased by 13 percent during the period 1980-1989. The major construction projects included: The new Gaborone Airport, the Central Power Station near Palapye, the raising of the Gaborone Dam wall, and the acquisition of the railway from the National Railways of Zimbabwe. Finally, mention should also be made of

the fact that salaries were increased by 7 percent in the fiscal year 1988/89.

**The 1994 Election Year.** The growth performance of the economy took a sharp turn after the 1989 elections. According to the Bank of Botswana (1993) the year 1993 marked “ a turning point in Botswana’s economic development”. The slowdown started in 1991/92 national accounting year. The rate of economic growth declined from 6.5 percent in 1991/92 to a modest 0.3 percent per annum in 1992/93. There are several factors that explain this decline in economic activity. First, the effects of the world economic recession resulted in the contraction of the key sectors of mining and construction. These contracted by 4.6 percent and 15.0 percent respectively in 1992/93. The construction sector suffered heavily because of the completion of projects related to the Sua Pan development, and the halting of Botswana Housing Corporation projects as a result of the problems resulting from corruption in the award of building tenders. Second, the end of the boom in the construction industry, that had basically overheated. Third, are competitive forces in the region. The manufacturing sector declined by 12 percent in 1992/93 further underlying the severity of the slowdown in economic growth. The rate of economic growth increased to 3.1 percent per annum in 1993/94, but recovered to 7.0 percent by 1995/96. The recovery in output growth in 1993/94 marked the beginning of a turn about in the fortunes of the economy. This marked the end of a severe economic recession in modern Botswana.

There was a slow recovery in the construction sector that experienced a growth of 1 percent per annum and the mining sector at 5 percent per annum. The latter represented the improving conditions in the international diamond market. On the other hand, the manufacturing sector experienced continued decline. The sector contracted by 1.3 percent in 1993/94. However, the employment figures also provided indications of recovery as formal sector employment experienced growth of 2.2 percent per annum during the same period. The recovery in the job front is due to two factors. First, the leveling off of job losses in the manufacturing sector. Second, the growth is mainly explained by the service sector: trade, hotels and tourism. This prompted the following statement from the Bank of Botswana (1994:4):

Even if the current indicators could be interpreted with confidence as a resumption of growth in formal sector employment, there is concern that this would not be at rates sufficient to absorb the increase in the labour force, implying that unemployment will continue to grow.

The recovery also led to an improvement in the government budget in 1993/94, in the sense that a larger surplus was recorded than was anticipated. The Budget Speech projected a balanced budget for the fiscal year 1994/95. This resulted in the government not awarding any salary increases in 1994. It was believed this would considerably improve the competitiveness of the economy.

Although this was an election year, the Botswana Democratic Party government wanted to continue to project itself as financially prudent, and hence not willing to pursue policies that were self-supporting. However, it was this factor that was considered by most to have principally resulted in the opposition Botswana National Front winning thirteen seats in the National Assembly. The latter argument has some basis given that annual salary adjustments were and are a norm. The Botswana Democratic Party opted for a realistic assessment of the economy and paid politically.

Apart from the divisions within the BDP, issues of corruption and mismanagement played an important part in the poor showing of the BDP in the 1994 election. Prior to the election, Botswana had been hailed as an African success story of a liberal democracy with a sound economic management record and a political and bureaucratic elite that is relatively corruption free. The 1990s however, witnessed the emergence of corrupt practices and abuse of office by senior ruling party politicians. These practices involved corrupt allocation of tenders, illegal land deals in peri-urban areas, corruption in the Botswana Housing Corporation (BHC) and failure of politicians to service their loans with



the National Development Bank (NDB), which contributed to the near collapse of the bank. The then President Sir Ketumile Masire was also implicated. The public was particularly angry that staff of the National Development Bank had to lose their jobs as a result of the rulers' failure to honour their financial obligations (Bothomilwe, 1997).

Unemployment was also a major factor in 1994. Just before the 1994 elections, the University of Botswana Democracy Research Project (DRP) carried out an opinion poll in an attempt to understand the voting behaviour of Batswana. There were 2 044 eligible voters from seven constituencies interviewed. It was found that 52.5 percent of the sample believed that unemployment in the country was caused by poor, wrong or failed government policies. It was also found that 34.1 percent of the respondents were conscious of the country's economic problems and that this guided their political behaviour (Maundeni, 1995:12).

The importance of unemployment can also be seen in the BDP's near loss of all urban constituencies in 1994 (Good, 1996). Unemployment in Botswana was a serious problem at the time. In 1982 it stood at 10.2 percent, rising to 15.7 in 1984/85 and falling to 13.9 in 1991 only to rise dramatically to over 20 percent in 1994 (Kayira, 1995:9, Good, 1996:65). Good (1997) contends that the results of the 1994 election were a manifestation of the public's increasing dissatisfaction with issues of unemployment, poverty and inequalities, among others.

The survey indicated that almost 31.4 percent of the eligible voters identified economic problems as guiding their voting behaviour. This casts doubt on the Molutsi and Holm (1990) argument that Batswana do not make political choices on the basis of economic interests and/or considerations but rather on personal loyalties and tribal affiliation. Interestingly, Holm and Molutsi (1992:81) contradictorily maintain that Botswana's rapid economic growth enabled government to provide significant returns to society and simultaneously make the necessary capital investments. As a consequence, they argue that economic issues have no potential to seriously threaten the BDP in elections. However, the economic conditions prevailing in 1994 suggest that society was economically weak and as such economic conditions are considered to have contributed in some measure to the electoral problems the BDP encountered in that election year.

***The 1999 Election Year.*** Botswana was experiencing another economic boom (BIDPA, 1999) in an election year! The economy has reverted to the growth rates of the 1980s. The growth rate of around 8.3 percent per annum contrasts with 3 percent experienced during the 1994 elections. The performance was due to the strong expansion of the mining and general government sectors that increased at 9.5 percent and 11.0 percent respectively in 1997/98. The manufacturing sector grew at 4.7 percent and was forecasted to grow at a faster rate and be a source of economic diversification and employment.

The outlook for 1998/99 was subdued because of the expected slowdown in both the general government and the mining sectors. But the mining sector was expected to recover, despite the weak international demand effects of the East Asia crisis, due to the Orapa expansion project.

Total employment was reported to have increased by 5.4 percent per annum in 1998. The growth rate was above the growth of the labour force, which suggests that unemployment is falling. However, there are still concerns about the lack of linkages between the urban and rural sectors of the economy. This was because the growth in formal sector employment may simply encourage rural to urban migration. The growth in formal sector employment was mainly accounted for by the government sector, which created 58 percent of the new jobs in 1998/99. It was important, however, that the growth in formal sector be viewed within the larger context of employment in the economy given the strength of the informal sector, and the decline of the agricultural sector. The informal sector and traditional agriculture accounted for 17.0 percent and 14.0 percent of total employment respectively. The total unemployment rate is estimated at 21 percent clearly

indicating the need to treat sector growth rates cautiously as these relate to the formal sector only.

There are other economic factors that had a bearing on the outcome of the 1999 elections. First, the awards, or even the timing, of public sector salaries. On July 23, 1998 the government awarded salary increases to Civil Servants. The increments were the result of recommendations made by the Salaries Commission set up by the government. Government employees were awarded a 25 percent across the board salary increases, and those at the bottom of the salary scale were awarded an increase of 34 percent. On the other hand, Chief Executives received an increase of 43 percent. This was big pay out before an election year. Although the government did not award salary increases to public servants in 1999 as is traditional in every budget speech, the increase, which is a cost of living adjustment, was calculated into the 25 percent across board recommended by the Commission. This did not cause consternation among the electorates, as the 1998 increase was considered larger than expected.

Second, the introduction of an additional financial assistance packages the Small, Medium and Micro Enterprises (SMME). This program resulted from a task force set up by the government to find possible ways of promoting the development of small businesses in the country. The scheme raised the expectations of every Motswana with an annual income of less than P20 000.00 to borrow at a fixed rate of 18 percent per annum, thus cultivating support for the BDP among the low-income group.

It would be observed from the number of schemes that the role of the government sector in the economy of Botswana was extraordinary. The government sector drives the growth rate of the economy through the accumulated surpluses, derived from the strength of the mining sector. In other words, developments in the mining sector have implications for the government accounts that in turn have a bearing on government expenditure. The principal effect of the government sector in the economy was therefore unavoidable, as the government is the custodian of national wealth. The strategy of government is to:

Secure rapid and large returns to the Nation from intensive capital investment in mining and other viable modern industries, mainly aimed at export markets; and to simultaneously reinvest the proceeds of this investment in the manner that would improve services in the rural areas and promote employment growth (GOB, 1999).

This trickle down strategy has the rural sector as its primary focus. This was achieved through the Accelerated Rural Development Strategy, which was launched in 1973 to provide social and development infrastructure in the rural areas. Some of the projects covered include, among others, schools, health facilities and roads, servicing of land for commercial and rural development, and rural electrification (GOB, 1999).

We now evaluate trends in the ratio of government expenditure to Gross Domestic Product over the period 1982 to 1998. The period was selected because of the election years that are the subject of discussion: 1989, 1994, and 1999.

There are a number of observations that can be made about the ratio of government expenditure to total expenditure. Firstly, it has remained above 30 percent over the period, and increased to about 50 percent in 1993. This suggests that despite the statements by the Botswana Government that the central focus of economic policy was the reduction of the role of the state in economic activity, the reverse is happening. Secondly, the ratio consistently declines between the period 1982-1986 because of the cut back in government expenditure that resulted from the weak international diamond market. But from 1987, when the entire diamond stockpile had been sold, there was a gradual increase in the ratio of government expenditure to output; the ratio reaches 38 percent in 1989. Thirdly, after the levelling of government expenditure between 1990 and 1992, the ratio rises again to reach 50 percent in 1993. The sharp decline in the ratio from 50 percent in 1993 to 39 percent in 1994 is also a result of the unfavourable market conditions for diamonds. This significantly slowed down the rate of economic growth. Although the decline in

government expenditure was significant it was only a reduction to the 1989 levels when the economy was booming and the Botswana Democratic Party had a landslide victory. Moreover, government expenditure was increased a year before the election continues to filter through, hence maintaining the feel-good factor. Finally, despite the slow down in the economy in 1994, the level of government expenditure remained above 30 percent of Gross Domestic Product, and was also financed by government surpluses.

## Conclusion

In this paper we reviewed economic and political developments in Botswana in the election years 1989, 1994, and 1999. The thrust of our argument is that in writings on electoral choice in Botswana undue emphasis has been placed on political factors at the expense of economic factors. Writers such as Holm and Molutsi (1992) and Danevad (1995) maintain that the BDP government has the tendency to introduce certain programs prior to an election in order to woo voters. This is one of the advantages of incumbency and it pays political dividends. Feld (1991) extends the incumbency argument further by asserting that incumbents rarely lose elections even if their policies are not that good, since there is a tendency for voters to give the incumbent a certain benefit of doubt. This advantage may have accrued to the BDP.

The paper has highlighted the fact that electoral choice is based on a multiplicity of factors and a case has been made that economic factors have also played an important part in explaining Botswana's electoral behaviour.

It is found, in the election years covered, that the BDP did well when the economy was healthy. Therefore unqualified emphasis on ethnicity and patron-client relationships as important variables in explaining party choice can no longer be sustained. There is an emergence of an issue-based electorate in Botswana that is now voting with economic considerations in mind. This trend should be expected as the country urbanises and more people acquire education. After all, mankind is economic by nature.

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