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# 'Ditiro Tsa Ditlhabololo': Botswana As A Developmental State

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## **Abstract**

*Of those countries outside of Asia that have recorded phenomenal levels of economic growth, it has been the so-called 'developmental states' of Botswana and Mauritius that have performed well. Indeed, Botswana has had the most impressive growth figures in the world. The example of Botswana contradicts orthodox accounts of how development is best pursued, suggesting that retaining a competent and efficient state structure, rather than dismantle it as Structural Adjustment Programmes demand, is the key to future development. However, this is not to say that Botswana's development trajectory has not been unproblematic—the country has immense levels of inequality and poverty. But nor is it to deny that there have been elements within Botswana's post-independence history that other African states may take on board.*

## **Introduction**

The current neo-liberal understanding of economic development is highly problematic, particularly its attack on state involvement in the economy. Of those countries in Africa that have recorded respectable levels of economic development, it is precisely the developmental states of Botswana and Mauritius that have performed well. Indeed, the examples of these two countries contradict orthodox accounts of how development is best pursued, suggesting that retaining a competent and efficient state structure, rather than dismantle it as Structural Adjustment Programmes (SAPs) demand, is the key to future development—as history has demonstrated (Weiss and Hobson 1995).

For Africa, the various international financial institutions have argued that African states lack the capacity to pursue policies similar to the developmental states of East Asia, whilst being far too susceptible to vested interests in the political realm. Known as the 'impossibility thesis', African states that remained in the business of guiding development threatened to bring disaster and had to be reined in by SAPs. Elites in Africa have frequently taken on board such advice and have come to believe that a minimalist role for the state is required. Whilst recognising the problematic nature of a great deal of African state formations, across the board liberalisation and state rollback has been similarly dubious. It is thus extremely important to challenge the thesis that state involvement inexorably leads to economic decline and that developmental states in Africa are an impossibility. Examples do exist in Africa that contradict to a large degree this position. Botswana is one such case.

## **Botswana as a Developmental State**

Botswana is famed for its diamond resources and it is true that the revenues from diamond extraction has powered the country's growth. However, an abundance of mineral wealth on its own explains nothing in looking at Botswana's success—as the case of Sierra Leone demonstrates, natural resources may in fact sabotage nation-building and development. As

Clark Leith (2000: 4) has remarked, 'the growth of the Botswana economy is not simply a story of a mineral enclave with an ever growing government, attached to a stagnating traditional economy'.

There is of course a major problem in defining a developmental state simply from its economic performance: not all countries with good growth rates are developmental states. As Thandika Mkandawire (1998: 2) remarks, 'the definition of the 'developmental state' runs the risk of being tautological since evidence that the state is developmental is often drawn deductively from the performance of the economy. This produces a definition of a state as developmental if the economy is developing, and equates economic success to state strength while measuring the latter by the presumed outcomes of its policies'. Referring to Africa specifically, Mkandawire goes on to add:

In Africa, we have many examples of states whose performance up until the mid-1970s would have qualified them as 'developmental states' in the sense conveyed by current definitions, but which now seem anti-developmental because the hard times brought the economic expansion of their countries to a halt. Recognition of episodes and possibilities of failure leads us to a definition of a developmental state as one whose ideological underpinnings are developmental and one that seriously attempts to deploy its administrative and political resources to the task of economic development (Mkandawire 1998:2).

Following on from this, in Botswana there has been a definite commitment by the state to pursue development. This goes back to the first presidency of Sir Seretse Khama who was conscious of developing what had been hitherto a relative backwater of the British Empire (see Parsons, Henderson and Tlou 1995). A conscious and disciplined leadership has seen as one of its main duties the need to develop professional institutions with competent bureaucrats. Indeed, the very process of nation-building post-independence took on a nature that was inspired by the fundamental task of development at all levels of society and government. This developmental ethos was accepted and advanced by both the political and bureaucratic elites and by the institutions that they built up (Tsie 1996). This echoes Ha-Joon Chang's argument that a developmental state should act as an entrepreneurial agent whilst engaging in institution and capacity building. Certainly, the robustness and levels of capacity of state institutions in other developmental states has been crucial (see Weiss 1998). In 1981 the then Minister of Finance and Development Planning, Peter Mmusi, spoke of the need for a 'purposeful government which acquires the expertise to deal with companies on its own terms...the important word is purposeful—and I believe our government has been able to put together strong negotiating teams, has backed them up with well-worked-out negotiating mandates, and has then overseen the implementation of our major mining agreements with detailed care as well' (quoted in Harvey and Lewis 1990: 119). Attempting to account for how and why a disciplined and competent state apparatus emerged post-independence is what we shall turn to next.

***Explaining the 'Miracle'*** Explanations and accounts of Botswana's development trajectory are diverse. One school of thought may be called the 'African Miracle' school (originally coined by Penelope Thumberg-Hartland), which is mainly positive and largely economic in its approach and misses the inherently *political* nature of Botswana's post-independence experience (see Vengroff 1977; Thumberg-Hartland 1978; Picard 1985.

1987; Harvey and Lewis 1990; Danevad 1993; Stedman 1993; Dale 1995). Though of course this 'school' is varied, it does in the main approach Botswana's post-independence from a largely uncritical stance, asking whether Botswana is indeed *A Model for Success?* (Picard 1987). Those working more from a political economy perspective have been more critical. Such analysts do of course acknowledge the rapid economic growth and efficient state machinery, as well as the long-running liberal democracy. However, they are more critical of the profound contradictions that have developed alongside Botswana's developmental trajectory (Colclough and McCarthy 1980; Parson 1984; Tsie 1995; Gulbrandsen 1996). These scholars question the scenario where there is *Poverty in the Midst of Plenty*, blaming it on deliberate policy choices made as part of the developmental state project (Gulbrandsen 1996).

The most recent work to emerge, and that attempts to account for why Botswana's developmental record is so radically different from most other African states, is Abdi Samatar's 1999 book *An African Miracle*. Touching on one of the main factors in accounting for Botswana's relative success, Samatar asserts 'a key force that distinguishes successful from failed states is the social chemistry of the dominant class and the discipline of its leadership' (1999: 6). Like many of the political economists, Samatar is critical of the social polarisation and disparities of income within the country. But, and I think this is where Samatar's approach is superior to the overly negative accounts provided by some, he argues that Botswana's wealth grants the elite a certain space that can be used in order to resolve the more iniquitous inequalities through determined policy choice and implementation.

According to Samatar, Botswana's success as a developmental state is located in a professional bureaucracy that has conducted and implemented policy-making efficiently. This has been made possible by an essential alliance amongst elites. Patrick Molutsi has identified five fractions of the ruling elite in Botswana: elected representatives; traditional rulers; the higher echelons of the bureaucracy; the business elite; and leading cattle-ranchers. Much of these actors can be located in two or more of these ranks (Molutsi 1989a: 105). This elite alliance has privileged policies that have sought to attract private FDI (whether mineral or manufacturing—mostly the former). Receipts from this have been diverted into national development projects (Hill and Mokgethi 1989). Another leg of these policies is to promote, support and protect local businesses, primarily in the urban areas—the Financial Assistance Policy (see below) is a classic example. Such interventions have been possible because a strong state apparatus was built post-1966 that did not deteriorate into private patronage networks as elsewhere in Africa. Rent-seeking activities have thus been minimal (Theobald and Williams 1999; cf. Good 1994).<sup>1</sup>

Crucially, at independence the first president, Seretse Khama, enjoyed a legitimacy, drawn from his position as (former) chief of the dominant Tswana tribe that was unrivalled. This coupled with the legacy of neglect left by the British meant that there was no real opposition to Khama's agenda. 'Unlike in most other African countries, Britain left no army, no strong bureaucracy, and a weakling middle class. This situation created a critical technical and political vacuum at independence. The Tswana educated elite [among whom Khama was one of] was so small that it ended up collaborating with the colonial state, the chiefs and European settlers to form the new ruling class at independence' (Molutsi 1989a: 104). This vacuum was a double-edged sword, for whilst it meant a state with emasculated capacity at independence, it also gave Khama and his circle the space to strip chiefs of their political power. Any chiefly threat to the new state's

legitimacy then was nipped in the bud (Molutsi 1989a:104). The Chieftainship Act of 1965 meant that power was granted to the president to recognise, or not recognise, a traditional ruler, making all chiefs subordinate to the central government. In addition, a House of Chiefs was established, but with no legislative powers (Somolekae and Lekorwe 1998). This at one blow meant that potential opposition to building up a strong state apparatus and organising concerted opposition to the new government was dissolved and the potential site of alternative power removed. Instead, traditional rulers, dependant on the state for official recognition, served as facilitators for the implementation of policy, particularly in the rural areas. In this sense, their role within Botswana was re-invented and chiefs became agents of the government at the grass-roots level.

Furthermore, the post-colonial elite have dominated the National Assembly in such a way that state resources were not diverted to maintain patronage networks but rather were able to be deployed for development. There has been a relative autonomy which has allowed the political and bureaucratic elite to formulate policies that have benefited national development (even whilst benefiting traditional elites e.g. policies vis-à-vis cattle production). Daron Acemoglu *et al* (2001: 44) have put it thus:

[T]he members of the BDP and the political elite that emerged after 1966 had important interests in the cattle industry, the main productive sector of the economy. This meant that it was in the interests of the elite to build infrastructure and generally develop institutions...which promoted not only national development, but also their own economic interests. This development path was considerably aided by the fact that the constitution and policies adopted by the BDP meant that there were no vested interests in the status quo that could block good policies.

One of the key explanations for Botswana's development trajectory has been the commitment to development and the willingness to articulate a national vision for development by the elite or, as Modibedi Robi puts it, Botswana has established 'a national perspective that will carry the national psyche to a level of providence, with a sense of future, so as to define its ambition or desired level of progress' (Robi 1994: 487). The centrepiece of the state's development efforts since the inception of the first National Development Plan (NDP) from 1968 to 1973 has been to raise the standards of living of the population of Botswana. In line with this, development plans have been guided by the planning objectives of sustainable development, rapid economic growth, economic independence, and social justice (Republic of Botswana 1997a). The NDPs have the added advantage of granting policy implementers a great degree of space between them and the politicians. By this it is meant that a technical document, drafted by experts and then approved by elected representatives, serves as the blueprint for government policy. 'Once the new plan is approved, politicians' proposals not in the plan are turned aside on the grounds that only emergency measures can be adopted until the next plan is formulated' (Molutsi 1989: 112). Botswana then echoes the developmental state of Chalmers Johnson where 'the politicians reign and the state bureaucrats rule' (Johnson 1981: 12).

In addition, and in a conscious imitation of another developmental state's Vision 2020 (i.e. Malaysia), a Presidential Task Group produced a document entitled 'A Framework for a Long Term Vision for Botswana'. The 'Vision 2016' is supposed to be a national manifesto to guide future NDPs as well as broad government policy and is a statement of long term goals with proposals for a set of strategies to meet these (Republic of Botswana 1996, 1997b) According to Thandika Mkandawire, 'it is this ideology-

structure nexus that distinguishes developmental states from other forms of states. In terms of ideology, such a state is essentially one whose ideological underpinning is 'developmentalist' in that it conceives its 'mission' as that of ensuring economic development' (Mkandawire 1998: 2).

Vision 2016 and the various NDPs are, I believe, an indication of the developmentalist nature of Botswana as 'by planning within the context of a market economy, government policy has tended to influence the direction of government expenditure during the planning period while providing an environment in which private sector activity can thrive' (Edge 1998: 334). But, the state elite's commitment to development alone does not explain Botswana's experience. As Zibani Maundeni puts it, 'developmental commitment needed to be matched with institutional capacity. Creating a truly developmental state requires that the whole state machinery must be subjected to the leadership of an economic agency of the state' (Maundeni 2001: 18). This economic agency was, as I have pointed out above, the Ministry of Finance and Development Planning, staffed by an able civil service.

Following on from this, economic advice has been sought from technocrats, particularly in the preparation of national development plans and budgets. Indeed, the link between finance and national development is made explicit by existence in Botswana of one Ministry of Finance and Development Planning (MFDP) which is located in the Vice-President's office. In fact, it is pertinent to point out that prior to becoming president after Seretse Khama's death, Quett Masire was Minister of Finance and Development Planning and had been Vice-President for fourteen years. Similarly, prior to assuming the presidency in 1998, current president Festus Mogae had been Masire's Vice-President for five years as well as being Minister of Finance and Development Planning. In addition, Peter Mmusi, who resigned as Vice-President in 1993 under a cloud had also been Minister of Finance and Development Planning. Such a Ministry and its close links to the Executive has secured a balance between development planning and budgeting, as well as strengthening the capacity to implement national goals and demonstrating a commitment to economic development.

Such a commitment came about after a struggle within the Ministry of Finance in the immediate post-independence period. Essentially two factions fought over the new country's future economic policy. On the one hand, the Permanent Secretary Alfred Beeby, insisted on the need to 'balance the books' and 'refused to entertain any ideas about economic development until moneys in hand' (Morton and Ramsay 1994: 63). Opposed to this highly conservative stance were a group of young economists such as Pierre Landell-Mills and Quill Hermans who favoured an 'aggressive planning for economic growth, identification of potential projects, and then finally lobbying internationally for potential sources of aid or loans to finance the projects. Moreover, they even promoted the idea of borrowing money to finance development' (ibid). The latter fraction, fortuitously, had the ear of Quett Masire, then vice-president. Beeby had Landell-Mills thrown out of the civil service for 'insubordination', which for a period of six weeks (November-December 1966) caused a rift between Masire and President Khama. The matter was finally resolved after a commission of enquiry that eventually saw the creation of the Ministry of Development Planning with Hermans as permanent secretary and Landell-Mills as senior government economist. It would not be too much of an exaggeration to say that the foundations for the Botswana developmental state were laid during the 'Landell-Mills affair' in the sense that afterwards the key Ministry of

Development Planning was developmentally-driven whilst the objectives of the bureaucrats were politically-driven and supported by both Seretse Khama and Quett Masire. Meredith Woo-Cumings has argued that nationalism and a national vision lies at the heart of a developmental state (1999b: 8). The slogan *ditiro tsa ditlhabololo* ('work for development') has underpinned the trajectory post-1966 with a strong sense of nationalism: 'in many respects development has been Botswana's ideology' (Lewis 1993). As Sir Seretse Khama argued:

When we attained independence in 1966 we had no economic base from which to proceed with the development of our country. Our chances of survival as a viable country were almost nil but we were not discouraged nor could we ever willingly return to the old days of colonial neglect. Having accepted the challenges of independence we had no other alternative but to get down to work to make our independence a meaningful one (Khama 1980: 323).

In his book, which specifically understands Botswana as a developmental state, Samatar argues that the Botswanan elite has successfully utilised the receipts from the country's diamonds to expand the state as a facilitator (or 'entrepreneurial agent'). This sea-change in philosophy from Beeby's fiscal conservatism to Landell-Mills et al's more development-oriented policies has been crucial, with the state not shying away from an active involvement in promoting the market. Pilot institutions have been built to stimulate growth in the private sector—the Botswana Development Corporation being a prime example. Botswana Development Corporation Limited (BDC) was established in 1970 as Botswana's main agency for commercial and industrial development. All its ordinary shares are owned by the government of Botswana. The BDC's primary objective is to assist in the establishment and development of commercially viable businesses in Botswana. Its roles include the provision of financial assistance to investors with commercially viable projects, building partnerships with investors capable of creating and growing commercial viable businesses and supporting projects that generate sustainable employment for Botswana. An important aim of the BDC is to encourage citizen participation in business ventures (see Botswana Development 1985; Botswana Development Corporation 1995, 2000).

Similarly, the Botswana Export Development and Investment Authority, set up by the government in November 1997, the BEDIA's remit is to promote investment into Botswana with special emphasis on export oriented manufacture, identify market outlets for products manufactured in Botswana and construct factory buildings. Reflecting the close links between the public and private sector, the board of directors of BEDIA is made up of private sector representatives as well as representatives come from the Ministry of Commerce and Industry and the Ministry of Finance and Development Planning.

I have touched on the role of the bureaucracy in Botswana's developmental state but this needs expanding. The country possesses an effective and competent bureaucracy that has been able to implement policy directives whilst not miring itself and the country in over-expenditure and other pitfalls associated with a large number of bureaucracies, particularly in Africa. Expatriates were retained (as opposed to much of the rest of Africa) in order to help train up a local but competent and educated civil service (symbolically for a number of years the head of the civil service was a white Kenyan). Because of the lack of education afforded to local Batswana under the colonial period, this gradualism was necessary. The local cadre of bureaucrats therefore underwent a period of tutelage and

learning that has enabled them to gradually—and smoothly—take over the running of the country (Du Toit 1995: 98-99). Now, the Botswanan civil service has a 'proven capacity to take pre-emptive policy action and generally pursue policies in the long-term interest of the country' (Charlton 1991: 265). This, combined with well-trained and well-educated Botswanans with a low tolerance threshold of corruption means that the bureaucracy in Botswana is a tool rather than an obstacle for development. Furthermore, and relating Botswana's bureaucracy to the developmental state literature on the autonomy of the bureaucracy, I agree with Pierre du Toit (1995: 121) when he asserts that:

[T]he autonomous bureaucracy, in coalition with the ruling Botswana Democratic Party has succeeded through its technocratic priorities of growth and stability (at the expense of participation and equity), in establishing a solvent enough state which is able to deliver public goods (roads, schools, watering facilities, clinics etc) on a non-tribal, non-regional basis, so as to ensure that the minimum requirements of jointness of supply and non-excludability are met. Ensuring that the state is seen as neutral, not as an ethnic body...contributes to its legitimacy and that of the regime.

According to Zibani Maundeni (no date: 10), 'Botswana has maintained a strong and relatively autonomous and effective bureaucracy by insulating the planning bureaucrats from societal pressure, employing expatriates and by targeting the training of locals'. 'In practice the civil service, not the political leadership, has dominated policymaking' (Somolekae 1993: 116). The autonomy of this bureaucracy was of course socially anchored within the wider milieu of webs and networks that linked the cattle-ranchers, politicians and bureaucrats together. This sort of 'embedded autonomy' (Evans 1995) characteristic of developmental states, created a dynamic interaction between the various (cross-cutting) groups that stimulated policies favourable not only to the elites themselves but also to development. Clearly, developmental states must be involved in a network of ties that secure them to groups or classes that can become allies in the pursuit of societal goals. What has occurred in Botswana is a typical developmental state situation where the bureaucracy and the ruling party mesh. Evidence to confirm this is 'the commonness of the recruitment of senior civil servants directly not just into the ruling party politics but into senior government posts' (Charlton 1991: 283). The classic example being, of course, current president Festus Mogae, who has variously been Planning Officer, Director of Economic Affairs, Alternate Governor for Botswana at the IMF, Governor of the Bank of Botswana, Permanent Secretary to the President, Secretary to the Cabinet, Minister of Finance and Development Planning and finally vice-president in 1992 before taking over the presidential reins in 1998. In short a career technocrat and civil servant!

Some claims have been made that the state has overly favoured an elite fraction of cattle farmers (See e.g. Picard 1980; Parsons 1981). However, this presupposes a high degree of influence over policy by interest groups. But as John Holm has pointed out talking specifically of rural development and the supposed influence of some 'bovine elite', 'the critical debate on a policy takes place within the government, not in parliament or in public discussion...it is dominant ministries which shape policy outcomes' (Holm 1985: 175). Patrick Molutsi (1989b: 126) has gone further to assert that:

Without denying that important government policies benefit the rich and influential sections of society...the state is not *sui generis* an instrument of local shopkeepers and

cattle owners. Instead it is capable because of its relative autonomy from the major classes in society of concurrently advancing accumulation programmes in favour of the propertied classes on the one hand and welfare programmes for the poor masses on the other. The latter especially is important if the state is to establish itself as legitimate for the entire population.

It can be argued that the embedded autonomy of the bureaucracy and diverse ministries have thus served Botswana well, cushioning policy from special-interest lobbying, though perhaps at a cost of the democratic accountability of the bureaucracy (Molomo 1989). The limitations on organised labour in particular (in the name of nation-building) has been highlighted by some observers (Mogalakwe 1997). Having said that, like in other developmental states, social engineering is integral to the project. This has been facilitated (i.e. there has been minimal opposition to the dominant elites' programmes) in Botswana by the fact that civil society has been poorly developed and disorganised and democratic input weak in any case (Molutsi and Holm 1990). The fragmented opposition in particular has meant that the BDP has enjoyed hegemonic—if not wholly unchallenged—status since independence (Mokopakosi and Molomo 2000; Osei-Hwedie 2001).

Freed from such diverse pressures emanating from below, the bureaucracy has served a crucial role and it is true that 'the government [has] invested heavily in infrastructure, health and education and attempted to foster industrial development. The key to all this was the creation of a meritocratic bureaucracy and extensive state capacity' (Acemoglu et al. 2001: 29). Subsequently, 'public sector development administration is at once broader and more focussed than traditional public administration because the state itself serves both as the engine of growth within the economy and as the primary source of social development nationally' (Edge 1998: 336-337).

Following on from this, parastatals have been created in a country that lacks sufficient local capital—the most notable examples being Botswana Power Corporation, the National Development Bank, Botswana Railways, Botswana Development Corporation etc. In order to finance these, the government created a mechanism whereby funds are transferred out of the Consolidated Fund into three special funds, namely the Domestic Development Fund, which is the state's own contribution to capital projects as opposed to donor aid; the Revenue Stabilisation Fund which absorbs short term revenue increases and is used to provide short-term funding to parastatals and local government; and the Public Debt Service Fund which provides long-term funding to parastatals. This mechanism controls excess spending by central government. Derek Hudson (1991: 57) has written that 'the government has had mixed success with these loans, from a credit worthiness point of view. From a development point of view however, they have been a great success'.

The state has been keen to diversify the economy away from its traditional export base and towards manufacturing, particularly as minerals are a finite resource and 'the economy's prospects of continuing rapid growth must lie mainly with the further development of manufactured exports' (Harvey 1991: 337). Indeed, the government recently noted with alarm the vulnerability of Botswana to an over-reliance on diamonds with the issue of 'conflict diamonds'<sup>2</sup>. To this end Gaborone has followed a conscious policy of promoting the industrial sector as a means of diversifying Botswana's economy. The Financial Assistance Programme (FAP) has been a part of this policy (for a critical discussion of FAP, see Kaplinsky 1991). Established in 1982 and revised in 1989 and 1995, FAP was created to assist businesses which produce or process goods for import

substitution or for export. Large-scale mining and the cattle industry are excluded from FAP. Eligible activities for assistance include manufacturing, small and medium scale mining, agriculture other than cattle, selected 'linking' service industries and tourism. Linking service industries are defined as those which provide a marketing or collection function for the productive activities, including associated repair and maintenance facilities. Brewing or distilling operations do not qualify for assistance.

New projects and expanding productive businesses can apply for assistance but only those which raise the national income and have a reasonable chance of becoming financially viable will receive assistance. Businesses which qualify for assistance are classified into three categories:

**Small Scale Projects** - having fixed capital investment of less than P75,000. FAP assistance in this category is restricted to citizens. Assistance is in the form of grants, with amounts determined by location, woman ownership and number of jobs created.

**Medium Scale Projects** - having fixed capital investment of between P75,000 and P2 million.

**Large Scale Projects** - having fixed capital investment in excess of P2 million.<sup>3</sup>

Small and medium scale industrial projects which qualify are administered by the Department of Industrial Affairs in the Ministry of Commerce and Industry. The Ministry of Finance and Development Planning administers the Large Scale Projects. However, such mechanisms have largely failed to diversify the economy: despite the best efforts of the state, Botswana has been unable to emulate the developmental states in Asia such as South Korea or Taiwan in building up a large-scale competitive manufacturing base. This has been a failing of the country's development experience (Mhone 1996).

### **Concluding Remarks**

Before concluding, it is important to point out that Botswana is not some sort of utopia in the Kalahari. The country faces serious problems related to equity within society (Good 1993; Hope 1996; Nteta, Hermans and Jeskova 1997; Jefferis and Kelly 1999). It is a moot point that not everyone has benefited meaningfully from raised incomes or higher standards of living, setting aside for one moment the extensive provision of health and education facilities as well as access to potable water and a decent transport infrastructure. As Louis Picard has pointed out, 'the primary beneficiaries of government policy in the areas of economic and rural development have been the organisational elites, bureaucratic, professional and political, who dominate the system' (Picard 1987: 264).

Although Botswana is a 'cattle country', this obscures the fact that almost half of Botswana own no cattle at all, with less than 10% of the population owning about 50% of the country's cattle. These cattle barons have benefited from government policy vis-à-vis beef, although the receipts from meat exports of course do also go into state coffers. One might say that the Botswana Meat Commission, that manages the country's beef industry, 'has nurtured the collective interest of the dominant strata while providing services for the many small producers' (Samatar and Oldfield 1995: 661). Four out of five rural households survive on income of a family member in town or abroad. 'That still leaves a significant number of rural households, usually female-headed, with no source of income known to statisticians' (Parsons 2000). The Executive Secretary of SADC, Prega Ramsamy, has argued that Botswana will have reduced poverty by half by the year 2012 if

they continue to sustain their current economic performance.<sup>4</sup> But this calls for determined policy to ensure this occurs. In fact, the creation of a more equitable society and the fairer distribution of resources is now Botswana's greatest developmental challenge and on which will define the success or otherwise of the post-independence project. A less elitist and more egalitarian aspect of Botswana's developmental state is urgently required. Although some of the inequality in the country is due to specific policy choices, it is also true as Balefi Tsie (1998: 15) points out, that 'some of the contradictions of Botswana's development policy are rooted in the capitalist system that the country has followed... Here one has in mind the tendency of capitalist economies to generate severe income inequalities in the early stages of their development'. Now that Botswana has established the fundamentals of a working bureaucracy and excellent infrastructure with a large amount of foreign reserves, a more pro-active stance on inequality should be put in place (see Botswana Institute for Development Policy Analysis 1996).

The commitment to development then by both the political and bureaucratic elites is central, but not enough. Plenty of African states have been developmental on paper, but very few indeed have been successful. What seems to have separated Botswana from other African states is the strategy of putting into place institutions which have helped sustain growth. This has been part of a broader national developmental vision which has sought to co-ordinate investment plans. With the state acting as an entrepreneurial agent, there has been, to varying degrees, a co-ordination between the private and the public sectors—the parastatals being a prime example. According to Wayne Edge:

In Botswana, the developmental state is based on a foundation of capitalism in which the government, through a wide variety of incentives, actively promotes private investments by national and multinational corporations, while creating profit-based public enterprises and investing directly in private firms (Edge 1998: 334).

All this has been facilitated by an efficient and well-trained bureaucracy that has resisted the descent into corruption that has been the hallmark of much of the civil service in other parts of the continent. Indeed, skills development, not only in the bureaucracy but also in the wider private sphere have been an important aspect of Botswana's success—the National Productivity Centre, which came about after fact-finding missions to Malaysia and Singapore, being a prime example.

Despite the criticism of inequality within the country, it is still true to say that 'state intervention can play a vital role in creating the conditions for sustained trade growth and in ensuring that trade expansion translates into poverty reduction—as the examples of both Botswana and Mauritius in Africa have demonstrated (see Carroll and Carroll 1997). The Botswanan developmental state *has* achieved respectable accomplishments and it can be argued that Botswana's strategy has shown that 'a disciplined activist African state that governs the market is essential for industrial development and recovery' (Owusu and Samatar 1997: 270). In this sense, the lessons that Peter Evans has asserted states may pick up from the Asian experience, namely the construction of 'local counterparts to the proximate institutional prerequisites of East Asian success—bureaucracies with a capable economic core and government-business relations based on scepticism combined with communication and support in return for performance delivered', might also be applied to Botswana (Evans 1998: 83). I would concur with the assessment that 'Botswana [has] defied the thrust of prevailing development orthodoxy, which claims that African states cannot enhance industrial development through interventionist strategy. Botswana's state-

governed industrial strategy supports recent research on the 'East Asian miracle', which underscores the fundamental importance of state intervention in industrial transformation' (Owusu and Samatar 1997: 289). Equally, the 'primacy of politics' in the complex process of development has been fundamental and decisive (Leftwich 2000), inferring that it is not *how much* state intervention should take place, but rather *what kind*.

Obviously, as Christopher Clapham points out, the very different historical and cultural contexts that various development experiences have evolved from make direct comparisons and borrowing of models problematic (Clapham 1996). Developmental states cannot, as Leftwich (2000: 169) points out, 'be had to order'. Nonetheless, it is possible to suggest that there is such a thing as a broad developmental state model that helps account for the relative success not only of Taiwan or Singapore, but also of Botswana and that we should not write the possibility of more developmental states off on the continent (see Stein 2000). As Peter Evans has written, 'in the best of all possible worlds, African and Latin American countries would follow the lessons generated by the East Asian experiences in the same way that East Asian policy-makers followed western models of capitalism: with such originality and inventiveness as to outperform the original. Hopefully the art of leapfrogging is not yet dead' (Evans 1998: 83).

### Notes

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<sup>1</sup> It should be pointed out that the examples that Good illustrates and which are held up as somehow indicative of the levels of corruption in Botswana are over a lengthy period of time and similar crimes, unfortunately, are uncovered on a weekly basis in South Africa and elsewhere.

<sup>2</sup> *Daily News* (Gaborone), July 6, 2001

<sup>3</sup> Exchange rate as of August 2001: one US dollar = 5.68 Botswana pula

<sup>4</sup> *Daily News* (Gaborone) July 19, 2001

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