

Botswana

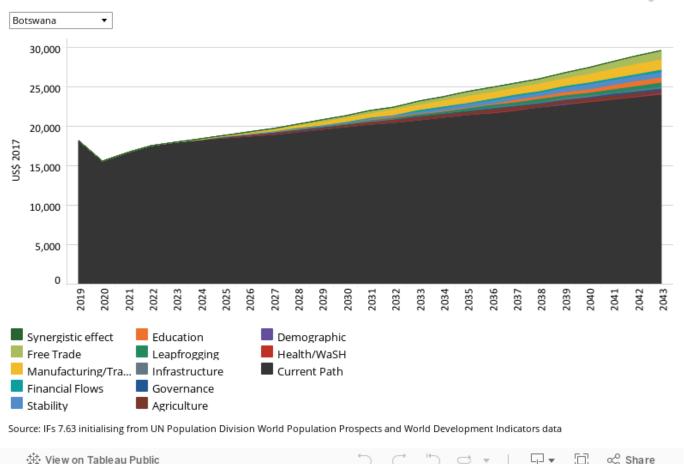
Combined Agenda 2063 scenario

Alize le Roux



Chart 55: GDP per capita in CP and scenarios, 2019–2043. Additional GDP per capita per scenario, purchasing power parity





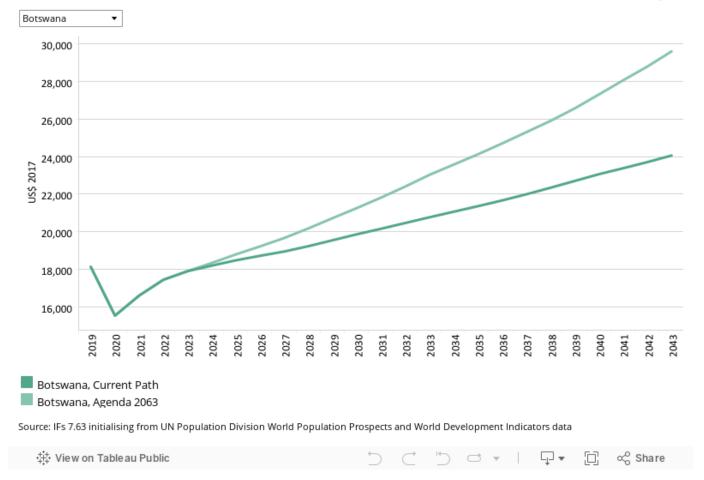
The Combined Agenda 2063 scenario consists of the combination of all 11 sectoral scenarios presented above, namely the Stability, Demographic, Health/WaSH, Agriculture, Education, Manufacturing/Transfers, Leapfrogging, Free Trade, Financial Flows, Infrastructure and Governance scenarios. The cumulative impact of better education, health, infrastructure, etc. means that countries get an additional benefit in the integrated IFs forecasting platform that we refer to as the synergistic effect. Chart 55 presents the contribution of each of these 12 components to GDP per capita in the Combined Agenda 2063 scenario as a stacked area graph.

Although Botswana's economy has benefitted from continued and sound economic growth, the country still stands to benefit from interventions in key development aspects as outlined above. Diversifying the economy and continued investment in the manufacturing sector (as captured in the Manufacturing/Transfers scenario) will benefit per capita income the most, raising income by as much as US\$1 275 in 2043 compared to the Current Path forecast.

Improving trade with its neighbours and abroad (as captured in the Free Trade scenario) will also significantly raise GDP per capita by 2043 by an additional US\$1 090 above the Current Path forecast. The synergistic effect of a Combined Agenda 2063 scenario that assumes improvements are made in all 11 broad intervention areas could add an additional US\$87 in 2043 on top of the combined per capita income.





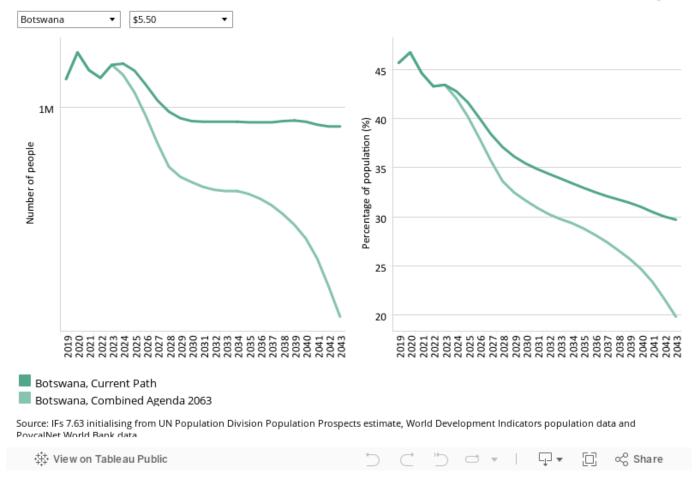


Whereas Chart 55 presents a stacked area graph on the contribution of each scenario to GDP per capita as well as the additional benefit or synergistic effect, Chart 56 presents only the GDP per capita in the Current Path forecast and the Combined Agenda 2063 scenario.

The Combined Agenda 2063 scenario has the potential to raise the GDP per capita in Botswana to US\$29 594 by 2043, US\$5 538 above the Current Path forecast for the same year. The Combined Agenda 2063 scenario shows that a policy push across all the development sectors is necessary to achieve even greater growth and development in Botswana. This additional push is much needed if Botswana is to address its persistently high level of unemployment that continues to hamper growth and keep the poverty rate high.



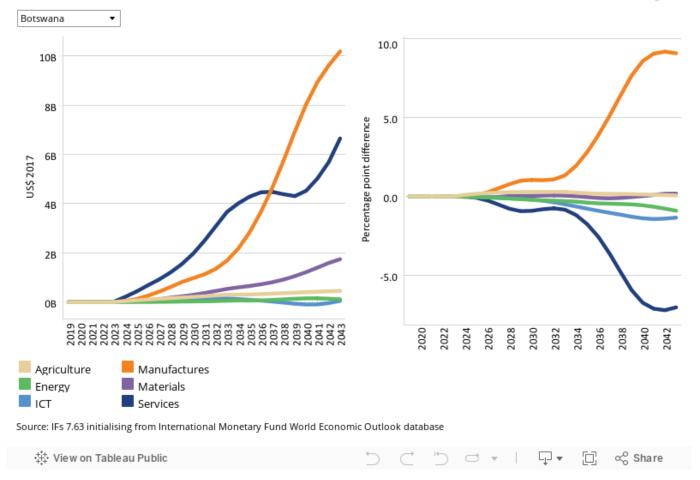




The Combined Agenda 2063 interventions can significantly benefit the economy of Botswana by reducing the poverty burden the country currently bears. If Botswana can effectively implement measures as outlined in the Combined Agenda 2063 scenario, poverty can be reduced from 46.7% in 2019 to 19.9% in 2043 using the US\$5.50 benchmark for upper middle-income countries. The scenario therefore has the potential to reduce poverty in 2043 by 9.8 percentage points compared to the Current Path forecast, lifting an additional 320 000 people out of poverty. Poverty will be eradicated in Botswana by 2039 in this scenario, using the US\$1.90 benchmark, nine years later than the SDG goal of eliminating poverty at that level by 2030.

Chart 58: Value added by sector in CP and Combined scenario, 2019–2043
Absolute and % point difference GDP



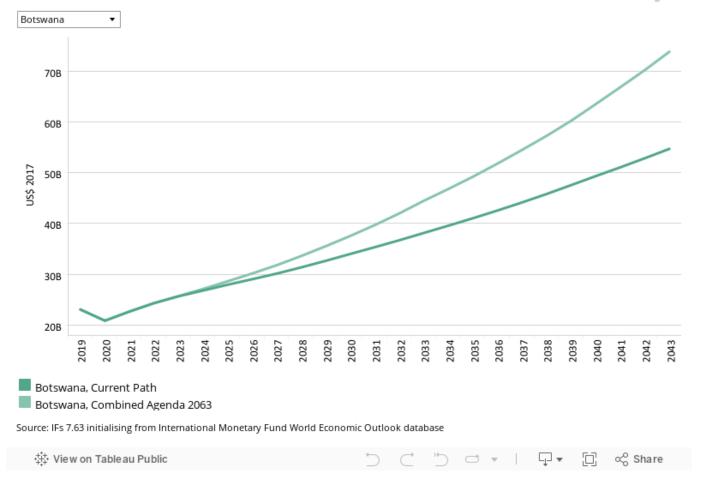


See Chart 8 to view the Current Path forecast of the sectoral composition of the economy.

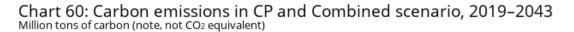
This chart displays the percentage point difference and the value difference between the Current Path forecast and the Combined Agenda 2063 scenario for the six sectors of the economy modelled in IFs. The manufacturing sector will contribute 9.1 percentage points more to GDP in the Combined Agenda 2063 scenario compared to the Current Path forecast, equivalent to a difference of US\$10.2 billion by 2043. The service sector will contribute 7 percentage points less to the GDP in the Combined Agenda 2063 scenario compared to the Current Path forecast. Even though the contribution will be 7 percentage points lower, the value added would be US\$6.6 billion more by 2043 compared to the Current Path forecast, the result of the economy being US\$18.4 billion larger (see Chart 59) in 2043 in the Combined Agenda 2063 scenario.

Chart 59: GDP in CP and Combined scenario, 2019–2043 Billions US\$ 2017, market exchange rates

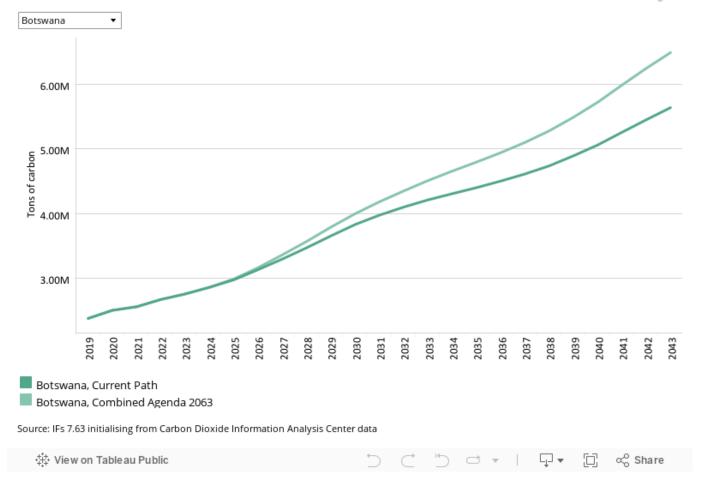
ISSIA



Botswana's GDP is forecast to grow to US\$73.9 billion by 2043 in the Combined Agenda 2063 scenario, compared to US\$54.8 billion in the Current Path forecast, an increase of 35% (or US\$19.1 billion). This shows the value that the concurrent implementation of the interventions in the 11 sectoral scenarios could have on economic growth.







The positive effect that the Combined Agenda 2063 scenario will have on GDP growth inevitably comes at the cost of increasing carbon emissions. Globally and regionally, however, Botswana is projected to remain a small emitter and by 2043 will be ranked 27th for carbon emissions in Africa in the Combined Agenda 2063 scenario. In 2019, Botswana's carbon emissions were 2.4 million tons and they are projected to increase to 6.5 million tons of carbon by 2043 in the Combined Agenda 2063 scenario, 0.9 million tons above the Current Path forecast for 2043.

Donors and sponsors







Reuse our work

- All visualizations, data, and text produced by African Futures are completely open access under the Creative Commons BY license. You have the permission to use, distribute, and reproduce these in any medium, provided the source and authors are credited.
- The data produced by third parties and made available by African Futures is subject to the license terms from the original third-party authors. We will always indicate the original source of the data in our documentation, so you should always check the license of any such third-party data before use and redistribution.
- All of our charts can be embedded in any site.

Cite this research

Alize le Roux (2024) Botswana. Published online at futures.issafrica.org. Retrieved from https://futures.issafrica.org/geographic/countries/botswana/ [Online Resource] Updated 30 November 2023.



About the authors

Ms Alize le Roux joined the AFI in May 2021 as a senior researcher. Before joining the ISS, she worked as a principal geo-informatics researcher at the CSIR, supporting various local and national policy- and decision-makers with long-term planning support. Alize has 14 years of experience in spatial data analysis, disaster risk reduction and urban and regional modelling. She has a master's degree in geographical sciences from the University of Utrecht, specialising in multi-hazard risk assessments and spatial decision support systems.

About African Futures & Innovation

Scenarios and forecasting can help Africa identify and respond to opportunities and threats. The work of the African Futures & Innovation (AFI) program at the Institute for Security Studies aims to understand and address a widening gap between indices of wellbeing in Africa and elsewhere in the world. The AFI helps stakeholders understand likely future developments. Research findings and their policy implications are widely disseminated, often in collaboration with in-country partners. Forecasting tools inspire debate and provide insights into possible trajectories that inform planning, prioritisation and effective resource allocation. Africa's future depends on today's choices and actions by governments and their non-governmental and international partners. The AFI provides empirical data that informs short- and medium-term decisions with long-term implications. The AFI enhances Africa's capacity to prepare for and respond to future challenges. The program is headed by Dr Jakkie Cilliers.

The opinions expressed do not necessarily reflect those of the ISS, its trustees, members of the Advisory Council or donors. Authors contribute to ISS publications in their personal capacity.