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МАКРОЭКОНОМИЧЕСКИЕ ПОКАЗАТЕЛИ БОТСВАНЫ

Аннотация: целью данной статьи является критическая оценка макроэкономических показателей, которые составляют основу анализа экономических показателей экономики Ботсваны. Одиннадцать показателей, рассмотренных в статье, в совокупности используются для оценки состояния экономики Ботсваны и, следовательно, могут являться основой для принятия решений инвесторами.

Ключевые слова: Ботсвана, макроэкономика, валовой внутренний продукт (ВВП), инфляция, бедность, занятость, демография

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BOTSWANA MACROECONOMIC INDICATORS

Abstract: the thrust of this paper is to critically evaluate the macroeconomic

indicators that forms the basis of analysis of the economic performance of Botswana's economy. The 11 indicators reviewed in this paper, are the ones that collectively are used to gauge the health of Botswana's economy and therefore can be used as a basis for investor decision making.

Key words: Botswana, macroeconomy, Gross Domestic Product (GDP), inflation, poverty, employment, demographics

Botswana is a landlocked country found in the sub-Saharan Africa with a population of just under 2.5 million people according to the National Population Census of 2021. The country is classified as an upper middle-income country, with the main source of revenue being from the diamond industry [1].

Botswana's economy is highly dependent on natural resources, mainly minerals, especially diamonds as the main revenue earner for the country. This makes diversification of the economy a priority in all National Development Agendas by government.

The eleventh National Development Plan(NDP) (Botswana, Ministry of Finance and Development Planning, 2017) which is to guide development planning until 2023, highlights strategies on how the Government intends to diversify the economy away from minerals and tackle other developmental challenges, like eradication of poverty [4].

An economic indicator is a piece of economic data, usually of macroeconomic scale, that is used by analysts to interpret current or future investments possibilities. They guide or indicate the general performance of an economy.

The quest of overseeing the diversification of the economy of Botswana from one reliant on natural resources, there is need for a yardstick to ensure that the progress stay on course. This is therefore achieved by tracking certain economic indicators and the following are major macro-economic indicators that are used to track the progress of Botswana's economic performance [3].

The economy of Botswana has been resilient over the years, from 2016 we see a positive growth till date. The gross domestic product in current prices of Botswana

was forecast to continuously increase between 2022 and 2027 by in total 7.1 billion U.S. dollars (+39.44 percent). In 2021, the mining sector in Botswana accounted for about 85% of Botswana's foreign exchange earnings, one-third of government revenue, 25% of GDP and makes up about 20% of total employment. The mining has been the most GDP contributor for the country from the past years and current years with an estimated 30% contribution as of 2022 [5].

The trade, hotels and restaurants were the second largest contributor to GDP in 2019 at 20.3% of GDP, but it dropped due to the Covid 19 crisis. This sector accounted to 10% of employment in that year.

The real GDP growth rates per quarter, 2012-2022 are as per figure 1 below.

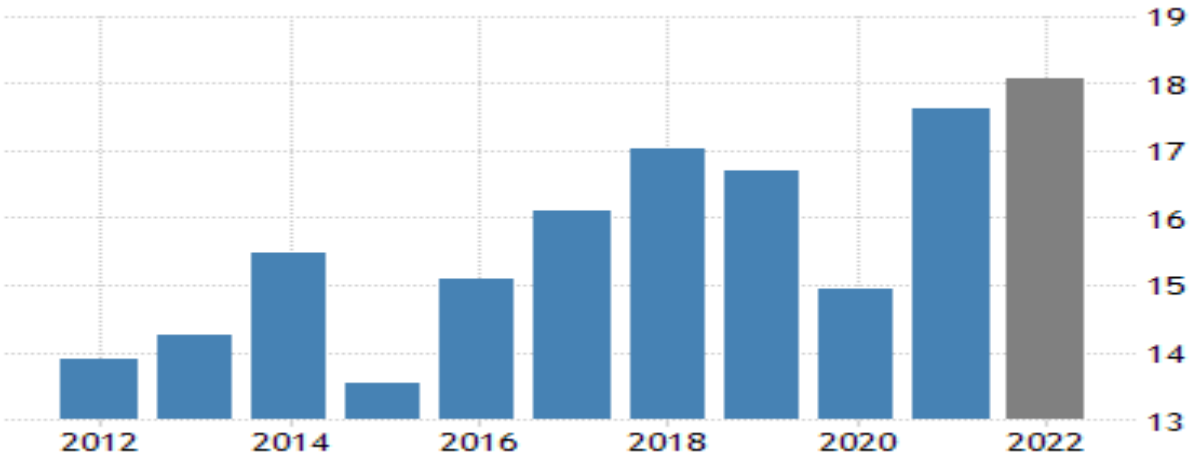


Figure 1 - Real GDP growth rates per quarter, 2012-2022

Botswana maintains a prescribed limit for Public debt and debt guarantees of 40% of the GDP to avoid excessive national debt. The distribution is 20% domestic debt and 20% external debt. Total public and public guaranteed debt increased from 43.72 billion Botswana Pula in 2019 to estimated P 112.77 Billion in 2022. The total debt increased by 9% from P 55.56 billion in 2019. The share of minerals revenues during the period 2020 increased by 37.3% [2].

The domestic annual inflation rate of Botswana in the year 2022 was 11,16 % . This may be attributed mainly low demand in local consumption and low personnel income. The other contributing factor maybe stable international oil prices.

The year 2020 saw the country current account recording a surplus of P 40.1 billion, having recorded a deficit of P 5.3 billion in the year 2018/19. The current surplus may be attributed to high demands in diamond exports and Southern African Customs Union revenue, together with tourism revenue [6].

Statistics shows high levels of poverty in Botswana. The national headcount of poverty in Botswana was estimated to be at 24,7 % in 2021, a slight improvement from 24.9 % in 2020. Mostly high poverty levels are recorded in rural Botswana. The level of extreme poverty is recorded at 8.8 % in 2020. Poverty continues to be a challenge despite targeted interventions by government.

Unemployment and poverty have a causal relationship, during the period 2020/21, the population of persons aged 15 years and older, who were unemployed stood at 22.7 %. This rate was much higher for females [1].

It can be concluded therefore, that armed with macroeconomic indicators of a particular country, an investor seeking investments opportunities will be able to make informed decisions as to her investment destination. This is made possible as the indicators show the health of the economy of a country. In this particular instance, the indicators as articulated, shows that Botswana as an investment destination is viable and investors seeking opportunities should be eyeing Botswana as such destination.

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