



**UNIVERSIDADE ESTADUAL DE CAMPINAS
INSTITUTO DE ECONOMIA**

KEOTSHEPILE PINKIE KEAKOPA

**ANÁLISE DO DESEMPREGO JUVENIL EM BOTSUANA -
ENTENDENDO A REALIDADE**

**ANALYSIS OF YOUTH UNEMPLOYMENT IN
BOTSWANA-UNDERSTANDING THE REALITY**

**Campinas
2024**

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Orientador: PROF. Dr. MARCELO PRADO FERRARI MANZANO

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DEDICATION

The Almighty God for divine protection and guidance; my precious twin boys, Thabang and Thabiso; my mother, Seolekeng Maureen Keakopa; and my brother, Rebaone Derrick Keakopa, for their sacrifices and unwavering support. I also extend my gratitude to FES and FUB for their financial assistance. The successful completion of this academic work would not have been possible without their invaluable contributions and steadfast support.

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"The important thing for the Government is not to do things which individuals are doing already, and to do them a little better or a little worse; but to do those things which at present are not done at all." John Maynard Keynes

(The End of Laissez-Faire pt. 4 (1926))

RESUMO

O desemprego entre os jovens é um desafio socioeconômico crítico que afeta países do mundo todo, e Botsuana não é exceção. Este trabalho de tese apresenta uma análise aprofundada do desemprego entre os jovens em Botsuana, com o objetivo de compreender suas causas subjacentes, dinâmica e implicações socioeconômicas. Por meio de uma revisão abrangente da literatura existente, análise de dados estatísticos e métodos de pesquisa qualitativa, este estudo busca esclarecer a realidade do desemprego entre os jovens e informar intervenções políticas baseadas em evidências.

A pesquisa começa definindo os parâmetros demográficos dos jovens e os critérios para medir o desemprego no contexto de Botsuana. Ela explora a dinâmica do mercado de trabalho, incluindo tendências na criação de empregos, padrões de emprego setorial e a prevalência do emprego informal entre os jovens.

Além disso, a tese se aprofunda nos fatores socioeconômicos que contribuem para o desemprego entre os jovens, incluindo barreiras estruturais, discriminação no mercado de trabalho, flutuações econômicas e a estrutura econômica desfavorável do país. Isso inclui um padrão de desenvolvimento que não favorece a criação de empregos, agravando ainda mais a questão. Ele analisa o impacto do desemprego sobre os indivíduos, as famílias, as comunidades e a economia nacional, destacando suas implicações para a pobreza, a desigualdade, a coesão social e o desenvolvimento de longo prazo.

Com base em estruturas teóricas da economia e, especialmente, das relações trabalhistas, esta pesquisa desenvolve uma estrutura conceitual para compreender as complexidades do desemprego juvenil em Botsuana. Ela formula perguntas e hipóteses de pesquisa para orientar a investigação empírica, combinando a análise de dados quantitativos com dados secundários qualitativos.

Por fim, a tese conclui com recomendações baseadas em evidências que destacam a importância de iniciativas baseadas na comunidade, o envolvimento do setor privado e o papel das instituições educacionais no combate ao desemprego entre os jovens. Ela enfatiza a necessidade de uma abordagem colaborativa que leve em consideração as políticas do mercado de trabalho, promova o empreendedorismo dos jovens e incentive parcerias entre empresas e oportunidades potenciais de criação de empregos. Essas estratégias visam criar

oportunidades de emprego sustentáveis e promover o crescimento econômico inclusivo para a população jovem de Botsuana.

Em resumo, esta tese contribui para o conjunto de conhecimentos existentes sobre o desemprego entre os jovens em Botsuana, fornecendo um certo grau de compreensão de sua realidade e propondo estratégias acionáveis para mitigar seus efeitos adversos. Ela ressalta a importância da elaboração de políticas com base em evidências e da colaboração de várias partes interessadas para lidar com essa questão socioeconômica premente e promover o bem-estar e a prosperidade dos jovens de Botsuana.

Palavras-chave: Jovens desempregados, Desemprego estrutural, Fatores socioeconômicos, Mercado de trabalho, Tecnologia de criação de empregos

ABSTRACT

Youth unemployment is a pressing socio-economic issue that affects countries globally, and Botswana is no exception. This thesis provides a comprehensive analysis of youth unemployment in Botswana, exploring its root causes, socio-economic impacts, and potential solutions. Through a combination of literature review, statistical data analysis, and qualitative research, the study aims to offer a nuanced understanding of the youth unemployment crisis and contribute to the formulation of effective interventions.

The research begins by defining the demographic parameters of youth and the criteria for measuring unemployment within the Botswana context. It examines labour market trends, including job creation, sectoral employment patterns, and the prevalence of informal employment among youth. The thesis further explores the socio-economic factors contributing to youth unemployment, such as structural barriers, economic fluctuations, labour market discrimination, and an economic structure that does not prioritize job creation.

Additionally, the study investigates the impact of youth unemployment on individuals, families, communities, and the national economy, highlighting its contribution to poverty, inequality, social unrest, and long-term developmental challenges. Using theoretical frameworks from economics and labour relations, this research develops a conceptual model to better understand the complexities surrounding youth unemployment in Botswana. Empirical investigation is guided by research questions and hypotheses, combining both quantitative and qualitative data.

Finally, the thesis offers evidence-based recommendations for addressing youth unemployment, emphasizing the need for community-based initiatives, private sector involvement, and the role of state-owned enterprises. It advocates for a multi-stakeholder approach that includes labour market reforms, youth entrepreneurship promotion, and business partnerships to create sustainable job opportunities. These strategies aim to foster inclusive economic growth and improve the overall well-being of Botswana's youth population.

In conclusion, this thesis contributes to the existing body of knowledge on youth unemployment in Botswana by providing an in-depth analysis of its causes, impacts, and potential solutions. It underscores the importance of evidence-based

policymaking and collaborative efforts in addressing this critical issue and ensuring the socio-economic prosperity of Botswana's youth.

Keywords: Youth unemployment; Structural barriers; Socio-economic factors; Labour market; Job creation; Technology

ABSTRACT (SETSWANA)

Go tlhoka tiro le go sa berekeng ga bašha ke kgwetlho e e botlhokwa ya ikhonomi ya lehatshe e e amang mahatshe ka go harologana lehatshe ka bophara, Botswana a akareditswe. Pampiri e ya thesis e supa tshekatsheko e e tseneletseng ya botlhokatiro jwa bašha mo Botswana, ka maikaelelo a go tlhaloganya mabaka a a itsang banana go bereka, manokonoko le ditlamorago mo bananeng le ikhonomi ya Botswana. Ka tshekatsheko e e tseneletseng ya dikgatiso le dipatlisiso tse di leng teng, tshekatsheko ya dipalopalo le mekgwa ya ditlhotlhomiso tsa boleng, patlisiso ena e batla go sedimosa lesedi ka nnete ya botlhokatiro jwa banana le go nna le seabe mo go supeng dikarabo tse di maleba go hokotsa seemo sa letlhoko la ditiro mo bananeng.

Tshekatsheko e e simolola ka go tlhalosa maemo a dipalo tsa banana le maemo a go lekanyetsa botlhokatiro mo lefatsheng la Botswana. A go na le mekgwa ya go dira ampo go tlhama ditiro, go akaretswa le ditiro tse di itlhametsweng di sa laolwe ke puso, ditiro tsa maphata a a harologanyeng go ngoka banana.

Go ya ka mabaka a ikhonomi ya lehatshe a a amang botlhokatiro jwa banana, go akaretsa dikgoreletsi tsa sebopego le selebego sa bohiri, kgethololo e e supiwang ke bahiri, go fetoga ga ikonomi le popego ya ikonomi ya lehatshe. Tsotlhe tse di akaretsa mokgwa wa tlihabololo o o sa tlihameng mebereko, mme se se oketsa bothata jwa letlhoko la mebereko. Pampiri e e sekaseka ditlamorago tsa go tlhoka tiro mo bathong, malapa, Batswana ka kakaretso le ikhonomi ya lehatshe. Go tlhoka tiro go oketsa manokonoko a ditlamorago tsa botlhoki, go tlhoka tekatekano, tshwaragano le tlihabololo ya sennela ruri.

Go ya ka Bomantswitswidi ba thuto ya ikhonomi, le dikamano tsa badiri bogolo jang, dipatlisiso tse di dira gore go nne le motheo wa mogopolo go tlhaloganya mathata a botlhokatiro a banana mo Botswana. Go dira dipatlisiso tse di farologaneng ,le go kopanya tshedimosetso e e tseneletseng e e nang le maitemogelo a a nang le boleng jo bo kwa godimo go ka thusa go rarabolola bothata jwa letlhoko la ditiro jwa Banana mo Botswana.

Ka jalo, pampiri e e gatelela botlhokwa jwa tshwaragano le tirisanyo mmogo mo go itebaganyeng le mathata a letlhoko la ditiro la banana mo lefatsheng la Botswana. E gatelela bomolemo jwa go harantlhalola malepa a ntseng a le teng go a tokahatsa le go tla ka mananeo a sennela ruri mo go tlihameng mebereko ya banana

le Batswana ka kakaretso. Se pheletsong ya sone ke go tlisa maduo a a molemo, a a ka godisang itsholelo ya Botswana, jalo he e le go tlamela le go hapha Motswana gore a akole meamuso ya lehatshe la Botswana.

Mafoko a botlhokwa: Botlhokatiro jwa Basha; Dikgoreletsi tsa popego; Mabaka a tsa tlholego le meamuso ya economi; Mmmaraka wa badiri; Go tlhama ditiro; Tsa maranyane

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ABBREVIATIONS

AfDB	African Development Bank
AU	African Union
BDP	Botswana Democratic Party
BIDPA	Botswana Institute for Development Policy Analysis
BNSP	Botswana National Service Programme
CEDA	Citizen Entrepreneurial Development Agency
CBMS	Community Based Monitory System
COVID-19	Corona Virus Disease 2019
CSO	Central Statistics Office
FDI	Foreign Direct Investment
FES	Friedrich-Ebert Stiftung
FHH	Female Headed Household
GDP	Gross Domestic Product
GVCs	Global Value Chains
GVS	Government Voluntary Scheme
HIES	Household Income & Expenditure Survey
HIV/AIDS	Human Immune Virus/ Acquired Immune Deficiency Syndrome
IWOSS	Industry Without Smokestacks
CSPD	Country Private Sector Diagnostic
IHLCS	Integrated Household Living Condition Survey
ILES	Institute for Labour & Employment Studies
ILS	International Labour Standards
IMF	International Monetary Fund
ILO	International Labour Organisation
ISRP	Informal Sector Recovery Plan
CEIC	Census and Economic Information Centre
COVID-19	CoronaVirus Disease 2019
LEA	Local Enterprise Authority
LFS	Labour Force Survey
LPR	Labour Participation Rate
UN	United Nations

UNFPA	United Nations Population Fund
UNESCO	United Nations Educational, Scientific and Cultural Organisation
USD	United States Dollar
MHH	Male Headed Household
MOA	Ministry of Agriculture
MYSC	Ministry of Youth, Sports & Culture
NGO'S	Non-Governmental Organizations
PHCPR	Population and Housing Census Preliminary Results
PPADB	Public Procurement and Assets Disposal Board
RNAPFY	Revised National Action Plan for Youth
SADC	Southern Africa Development Community
SMME's	Small, Medium and Macro Enterprises
SOE's	State Owned Enterprises
TVET	Technical, Vocational Education & Training
WEE	Women's Economic Empowerment
WTO	The World Trade Organisation
YEP	Youth Employment Program
YES	Youth Entrepreneurship Scheme
YDF	Youth Development Fund
YFF	Youth Farmers Fund

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INTRODUCTION

Youth unemployment is a persistent and pressing socio-economic challenge faced by countries around the world, with significant implications for individuals, families, communities, and national economies. In Botswana, a country renowned for its stable governance and rapid economic growth, youth unemployment remains a critical issue that demands urgent attention. The transition from education to the workforce presents significant challenges for numerous young individuals, limiting their opportunities for personal development, economic empowerment, and social inclusion.

The main drive of this thesis is to perform a comprehensive analysis of youth unemployment in Botswana, aiming to deepen our understanding of the reality of this phenomenon. By unravelling the underlying causes, dynamics, and socio-economic problems faced by the youth, this research will inform evidence-based policy interventions and interventions that address the needs and aspirations of Botswana's youth population.

The significance of studying youth unemployment in Botswana cannot be overstated. Despite the country's impressive economic growth and stability, youth unemployment rates remain stubbornly high, posing risks to social cohesion, political stability, and long-term everlasting development. Furthermore, the COVID-19 pandemic has worsened the existing difficulties, further exacerbating the plight of young job seekers in Botswana.

Against this backdrop, this thesis endeavours to add to existing literature on youth unemployment by providing a nuanced analysis of its reality in Botswana. It seeks to answer critical questions such as: What factors underlie youth unemployment in Botswana? How do socio-economic factors, and labour market dynamics shape youth employment prospects? What are the socio-economic implications of youth unemployment for individuals, families, communities, and the national economy? And, most importantly, what policy interventions can effectively address youth unemployment and promote inclusive economic growth in Botswana?

To achieve these objectives, this thesis employs a multi-disciplinary approach, drawing on insights mostly from economics, sociology, education, and public policy. It combines quantitative data analysis with desktop review of qualitative secondary data research methods, to provide a holistic understanding of youth unemployment in

Botswana. By triangulating evidence from multiple sources, this research aims to generate actionable recommendations that can inform policy development, program design, and advocacy efforts aimed at addressing youth unemployment and fostering the well-being and prosperity of Botswana's youth.

In summary, this thesis serves as a call to action to confront the reality of youth unemployment in Botswana and to mobilize collective efforts to create a more diverse, impartial, and thriving future for the country's young people. Through rigorous analysis and evidence-based policymaking, we can unlock the potential of Botswana's youth and unleash a new wave of innovation, entrepreneurship, and sustainable development that benefits society as a whole.

Statement of the Problem Youth unemployment poses a significant socio-economic challenge in Botswana, with implications for individual livelihoods, social cohesion, and national development. Despite efforts to address this issue, youth unemployment rates remain persistently high, signalling a gap between existing policies and the challenges encountered by the youth when entering the workforce. Understanding the underlying causes, dynamics, and socio-economic implications of youth unemployment in Botswana is crucial for developing effective approaches to alleviate its negative effects and promote sustainable employment opportunities for the youth population. Therefore, this study aims to analyse youth unemployment in Botswana comprehensively, seeking to uncover the root causes, identify contributing factors, and assess the impact of unemployment on individuals, families, communities, and the national economy. By acquiring a more profound comprehension of the situation surrounding youth unemployment, this research seeks to inform evidence-based policy interventions and interventions that address the necessities and ambitions of Botswana's youth population.

Research Question: "What are the underlying causes, dynamics, and socio-economic implications of youth unemployment in Botswana?"

This main research question encompasses the need to grasp the complex nature of youth unemployment, including its root causes, the factors contributing to its persistence, its impact on individuals and society, and potential avenues for policy action. It emphasizes the importance of gaining a comprehensive understanding of

the current state of youth unemployment in Botswana to develop evidence-based solutions that can lead to meaningful change.

Research Objectives General Objective: To conduct a comprehensive analysis of youth unemployment in Botswana, aiming to understand the underlying causes, impacts, and potential solutions to this pressing socio-economic issue.

Specific Objectives:

- Evaluate the current state of youth unemployment in Botswana by examining statistical data, trends, and patterns over the past decade to offer a comprehensive view of the scale and intricacies of the issue.

- Identify and analyse the socio-economic factors contributing to youth unemployment in Botswana, including but not limited to industry structure, labour market policies, and regional disparities.

- Examine the effect of youth unemployment on individuals, families, communities, and the national economy in Botswana, focusing on areas such as poverty rates, inequalities, productivity, and social cohesion.

- Assess the effectiveness of existing youth employment policies, programs, and initiatives in Botswana, analysing their strengths, weaknesses, implementation challenges, and outcomes to derive lessons for future policy development and implementation.

- Propose evidence-based interventions to address youth unemployment in Botswana, especially from the trade unions perspective considering short-term measures to alleviate immediate hardships and long-term strategies to promote sustainable employment opportunities and economic inclusivity for young people.

Significance of the study:

The significance of writing this thesis paper lies in its potential to address a critical socio-economic issue and contribute to both academic knowledge and practical solutions. The following are some key points highlighting the significance of this study:

Addressing a Pressing Social Issue: Youth unemployment is a significant challenge faced by many countries, including Botswana. By focusing on this topic,

the thesis brings attention to an issue that has wide-ranging social, economic, and political implications for the country's development.

Informing Policy and Decision-Making: Through rigorous analysis and research, this thesis can give valuable awareness into the underlying causes and dynamics of youth unemployment in Botswana. These insights can inform policymakers and stakeholders in planning and executing more effective strategies and initiatives to address the issue.

Contributing to Academic Knowledge: This thesis substantiates already existing academic literature on youth unemployment, particularly in the context of Botswana. By conducting empirical research and analysis, it will contribute new findings, perspectives, and methodologies that can enrich scholarly discussions and future research endeavours.

Empowering Youth: Understanding the reality of youth unemployment is crucial for empowering young people in Botswana. This thesis can raise awareness about the challenges they face, highlight their strengths and aspirations, and advocate for policies and initiatives that create more opportunities for youth to succeed in the job market.

Promoting Sustainable Development: Addressing youth unemployment is not only a matter of social justice but also a key factor in promoting sustainable development. By facilitating the assimilation of the youth into the workforce this thesis contributes to economic growth, poverty reduction, and social stability in Botswana.

Encouraging Dialogue and Collaboration: Writing this thesis on youth unemployment is a quest to encourage dialogue and partnerships among diverse stakeholders, including government agencies and civil society organizations such as trade unions, educational institutions, and the private sector. It seeks to foster a multi-sectoral approach to tackling the issue and promotes partnerships for collective action.

Empirical Evidence for Advocacy: This thesis shall provide empirical evidence and data-driven analysis that can be used by advocacy groups, civil society organizations, trade unions and youth activists to advocate for policy reforms, resource allocation, and social change related to youth unemployment in Botswana.

Methodology

Desktop review, also known as secondary data analysis, will be used as a research method for this analysis. This will involve gathering existing data, documents, reports, and scholarly literature relevant to this study. Desktop review also known as desk research will be used in this analysis research work. It is a form of secondary research or documentary research whereby mostly the data sources will be existing data and information. This will involve collecting and analysing information from available secondary sources such as Botswana economic reports, academic publications on youth unemployment, documents, and other materials found in public libraries, websites, and online databases documenting the same topic of interest.

Mostly internet websites will be used to provide a wealth of information that can be easily accessed and downloaded in relation to the topic under study, government and non-government agencies will also be used to get valuable data worthy to be used, library documents, newspapers, magazines, radio, social media pages and television stations will also be used to offer first-hand economic and market data. This qualitative method is conducive as it is cost-effective hence affordable as compared to primary research, it is efficient as it leverages existing data, saving time and effort. With desktop review, youth unemployment topics can be explored in broad terms.

Through the use of the desktop review, the following will be achieved:

- Identifying Existing Studies and Reports: review of existing studies, reports, and publications related to youth unemployment in Botswana. This includes academic journals, government reports, policy briefs, and research papers produced by think tanks or international organizations. These sources will provide valuable insights into the current state of youth unemployment, trends over time, and key issues facing the youth in the workforce.

- Understanding Contextual Factors: A desktop review will allow for a deeper understanding of the socio-economic context in Botswana, including factors such as the country's economic structure, education system, labour market regulations, and demographic trends. By examining relevant literature, it will be feasible to discover contextual issues that may influence youth unemployment rates and trends.

- Exploring Root Causes and Contributing Factors: Desktop review gives room to explore the underlying causes and contributing factors of youth unemployment in

Botswana. This may include factors such as educational attainment, skills mismatches, labour market discrimination, economic downturns, and structural barriers to employment. By synthesizing findings from existing studies, researchers can develop a comprehensive understanding of the complex drivers of youth unemployment.

- Assessing Policy Responses and Interventions: A desktop review enables assessment of existing youth employment policies, programs, and interventions implemented in Botswana. By reviewing policy documents, evaluations, and implementation reports, this helps to identify strengths, weaknesses, and gaps in current policy approaches. This information can inform recommendations for policy improvements or the development of new initiatives to address youth unemployment effectively.

- Benchmarking and Comparative Analysis: Desktop review can be used to benchmark Botswana's youth unemployment situation against that of other countries or regions. By comparing Botswana's policies, trends, and outcomes with those of similar countries, researchers can identify best practices, lessons learned, and innovative approaches to tackling youth unemployment.

- Data Verification and Validation: Desktop reviews can also serve as a means to verify and validate data collected through other research methods. By cross-referencing findings from different sources, it is possible to guarantee the accuracy and consistency of the data, enhancing the credibility of this study's findings and conclusions.

Chapter Outline or Organisation

The paper is organized into four sub-divisions. It starts with the introduction, then chapter one which present about the history of Botswana, its economy, political history, the background information on the issue of youth unemployment in Botswana highlighting relevant statistics, trends, and key issues related to youth employment, emphasizing the significance of the problem and its implications for individuals and society. This is the chapter where a full description of the socio-economic context of Botswana, including its economic structure, demographic profile, education system, and labour market dynamics will be further explained. Further elaboration will be given on how these contextual factors shape the experiences and opportunities of youth entering the workforce.

Chapter 2 will be mainly the Literature Review with subheadings such as conceptual framework of youth unemployment, theoretical perspectives on youth unemployment, historical perspectives on youth unemployment, current status of youth unemployment in Botswana, factors contributing to youth unemployment, and policy responses, programs, and interventions to address youth unemployment.

The third chapter is where the gist of the work will be. This is the chapter that will be dealing with the empirical analysis and the findings derived. Comparative analysis with other countries or regions will be made, patterns, trends and correlations will be identified by different demographic groups and variables, factors driving youth unemployment in Botswana will be identified and lastly the socio-economic implications of youth unemployment.

The final chapter, the fourth chapter will be the discussion and the conclusion. Discussion will be focusing on the interpretation of the findings in light of the research question and objectives. It will also show the merits and limitations of the study and lastly considerations for future research if need be. While the conclusion will make the summary of the findings, and recommendations especially the input and insights of the trade unions in addressing youth unemployment.

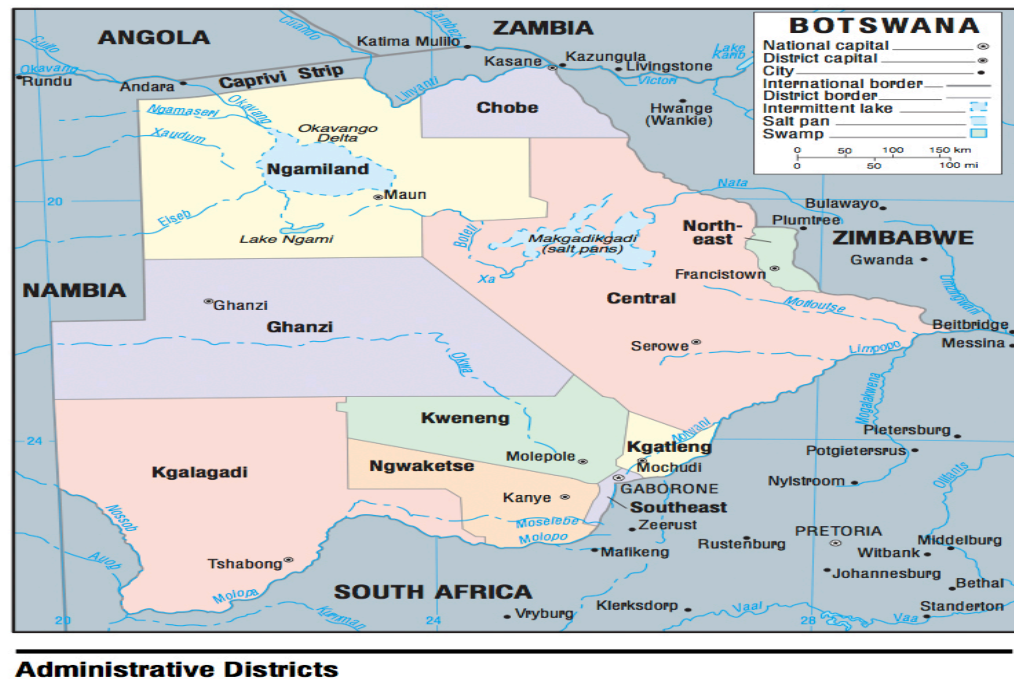
CHAPTER 1

1. INTRODUCTION OF BOTSWANA

1. 1 Geography

Nestled in the heart of Southern Africa, Botswana stands as a beacon of stability, prosperity, and natural beauty. With its rich tapestry of diverse landscapes, vibrant cultures, and abundant wildlife, Botswana captivates visitors and residents alike, offering a unique blend of tradition and modernity. Officially the Republic of Botswana formerly Bechuanaland covers 582 000 sq km of land and people counting to 2.7 million in 2022. Botswana is sharing borders with Namibia, Zambia, Zimbabwe and South Africa to the west, north, northeast and southeast respectively. Due to its flat terrain and the Kalahari Desert, which spans up to 70% of the country's area, Botswana is a sparsely inhabited nation with minimal agricultural activity.

Figure 1-Map of Botswana



Source: Mapsland (2024)

As one of Africa's success stories, Botswana has earned a reputation for its exemplary governance, prudent management of natural resources, and commitment to democratic principles. Since gaining independence from British colonial rule in 1966, the country has charted a remarkable path of development, transforming itself from being among impoverished nations to a shining example with a positive economic track record of resilience and social progress.

At the heart of Botswana's success story lies its abundant natural resources, most notably its diamonds. However, unlike many resource-rich countries, Botswana has managed to harness its mineral wealth for the benefit of its people, investing in education, healthcare, and infrastructure to improve livelihoods and foster sustainable development. Beyond its economic achievements, Botswana is celebrated for its stunning landscapes, particularly the Delta of Okavango, which is known as the biggest inland delta and landmarked as a UNESCO World Heritage Site. Here, visitors can embark on unforgettable safaris, witnessing the wonders of African wildlife in their natural habitat.

But Botswana is not just about its natural splendour; it's also about its people – warm, welcoming, and proud of their cultural heritage. The country is home to various ethnic groups, each with its own traditions, languages, and customs. From the San people of the Kalahari Desert to the Tswana people, who form the majority ethnic group, Botswana's cultural tapestry is as diverse as it is colourful. In recent years, Botswana has emerged as a regional leader in various sectors, including tourism, mining, and finance. Its stable political environment, sound economic policies, and strategic location make it an attractive destination for investors seeking opportunities in Africa.

1.2 Population of Botswana and its Demographics

Botswana is home to a diverse population with a rich cultural heritage and a history of resilience and adaptation. As of recent estimates, Botswana's population is approximately 2.7 million people. The population of Botswana will reach 40,000 in 2024 and grow to 2 million seven hundred and fifteen thousand by 2025. The movement of people between countries increases the population by 3,000 people yearly. Despite being one of Africa's larger countries in terms of land area, Botswana's population density is relatively low, with vast expanses of uninhabited

wilderness. The population density is 4 per Km² (11 people per m²). The distribution of people in Botswana has increased from 1.8 to 4.4 in 1980 and in 2022 respectively.

Table 1- Population Statistics of Botswana

Population	2 675 352
Population Growth Rate	1.7% annually
Age Dependency Ratio	56.8 % of working-age population
Urban Population	69.1%
Infant Mortality Rate	32.6 for every 1000 Live Births
Life Expectancy at Birth	66.1years

Source: Worldometers (2023)

Considering the age distribution, the population of Botswana exhibits a youthful demographic profile, with a significant proportion of the population under the age of 25. According to estimates, approximately 32-34% of the population is aged 0-14 years, while around 62-64% is for people considered to be eligible to work with ages ranging between 15 years and 64 years. For the people with years 65 and above, they only make between 3-4 % of the whole population. The median age in Botswana is 24.0 years. The sex ratio shows that there are 980 men for every 1000 women.

Table 2- Age distribution of Botswana Highlighting the dependency ratio.

Total Population 0-14	659770
Total Population 15-64	1264662
Total Population 65+	100872
Total Dependency ratio	60.1
Children Dependency ratio	52.2
Aged Dependency ratio	7.9

Source: World Population Prospects (2024)

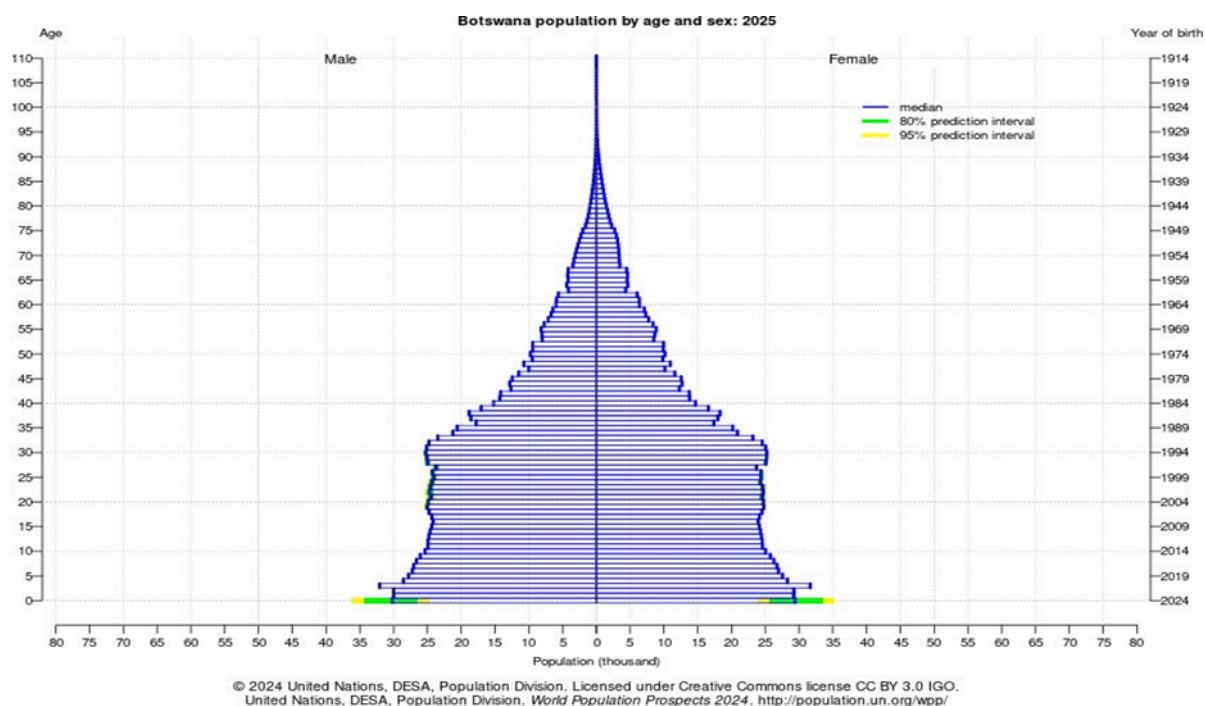
According to sex and gender distribution, Botswana has a relatively balanced gender distribution, with males accounting for approximately 49-50% of the population and females making up around 50-51%.

Table 3-Sex and Age Distribution of the Population of Botswana: 2023

Age Group	Population of Botswana			
	Male	Female	Total	Sex Ratio
0-4 years	149974	146086	296060	102.6614
5-9 years	145933	142216	288149	102.6136
10-14 years	138362	134985	273347	102.5018
15-19 years	124920	122546	247466	101.9372
20-24 years	113728	112146	225874	101.4107
25-29 years	112185	110588	222773	101.4441
30-34 years	110193	109365	219558	100.7571
35-39 years	103848	105783	209631	98.17078
40-44 years	87450	91546	178996	95.52575
45-49 years	64620	68600	133220	94.19825
50-54 years	47172	52678	99850	89.54782
55-59 years	35788	43474	79262	82.32047
60-64 years	25955	34036	59991	76.25749
65-69 years	17679	24666	42345	71.67356
70-74 years	10468	15334	25802	68.2666
75-79 years	5823	8948	14771	65.07599
80-84 years	3092	5114	8206	60.46148
85-89 years	1214	2369	3583	51.24525
90-94 years	330	791	1121	41.71934

Source: World Bank (2023)

Figure 2- Population distribution of Botswana according to Sex



Source: World Population Prospects (2025)

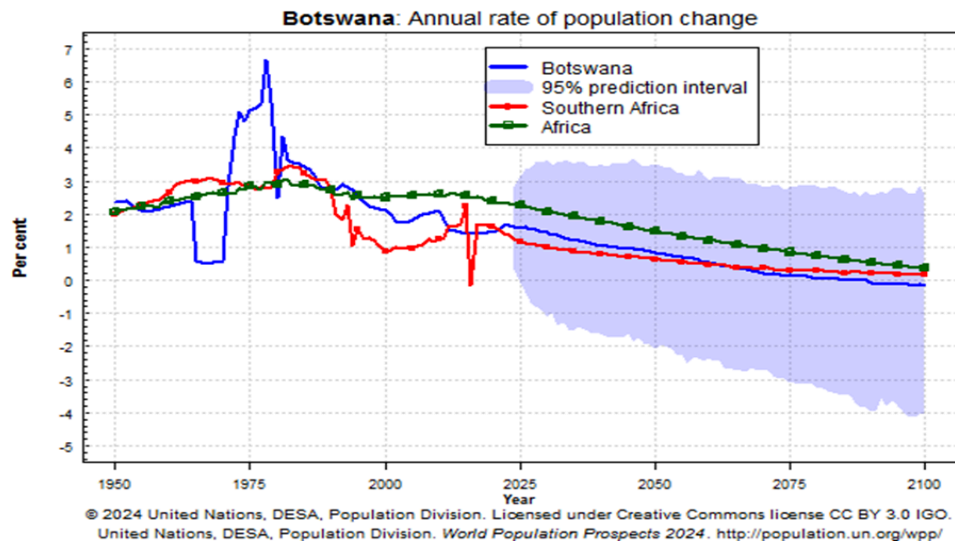
Gender equality is enshrined in Botswana's constitution, and efforts have been made to promote women's empowerment and participation in all sectors of society. As mentioned earlier, Botswana has a unique element of ethnic diversity therefore it is home to several ethnic groups, with the Tswana (or Setswana) people being the largest and most dominant ethnic group, making up to 80% of the entire population. Other ethnic tribes include the Bakalaka, Basarwa, Batlharo, Bakgalagadi, and various smaller ethnic communities. Despite ethnic diversity, Botswana's society is characterized by a strong sense of national identity and unity.

Looking at Urban-Rural distribution, the population of Botswana is mostly urban, with 69.1% of the people living in cities, including places such as the capital, the second biggest city, Francistown, and urban villages such as Maun. The remaining 30.9% of the population resides in rural areas, where traditional livelihoods such as agriculture, livestock farming, and small-scale mining are prevalent.

Population Growth Rate statistics show that Botswana has experienced steady population growth over the years, with an estimated growth rate of around

1.7% annually. Factors contributing to population growth include high fertility rates, improvements in healthcare leading to lower mortality rates especially infant mortality and maternal mortality, and net migration, both internal and international.

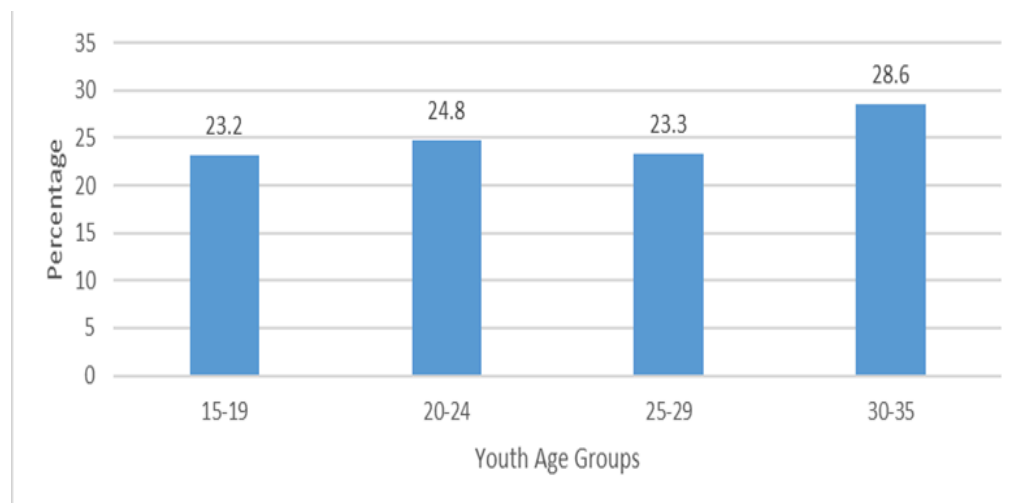
Figure 3-Population Growth Rate of Botswana: 1950-2024



Source: World Population Prospects (2024)

It is estimated that youth accounts for 35 %, that is 925 671 people of the whole national population of 2 675 352 people. According to this report, 35% being 925 671 youths of the total 2 675 352 people found in Botswana, 52 % are women, while 48 % are men. 71 % of these youth reside in cities and urban villages while only 29 % are residing in settlements and rural villages (Statistics Botswana, 2022).

Figure 4- Percentage Distribution of Youth by Age Groups



Source: Statistics Botswana (2022).

1.3 Botswana Political History

In general terms, Botswana's political history is characterized by a commitment to democracy, stability, and development. As the country continues to navigate its path forward, it remains focused on building a prosperous and inclusive society for all its citizens. Botswana has a rich political history characterized by stability, democracy, and economic growth.

During the Pre-Colonial, that is before the arrival of European colonizers, Botswana was inhabited by various indigenous ethnic groups, including the San, Tswana, and Kalanga peoples. These groups established chiefdoms and kingdoms, such as the Tswana-speaking Batswana tribes, which formed the basis of the country's socio-political organization.

During the Colonial Period, Botswana came under British colonial rule in the late 19th century, following treaties and agreements with local chiefs. Initially administered as the Bechuanaland Protectorate, Botswana remained relatively autonomous compared to other British colonies in Africa. The colonial period saw limited European settlement and extraction of minerals, with the local population largely maintaining control over their land and governance systems. Botswana achieved independence from Britain on the 30th of September in 1966, with Sir Seretse Khama serving as the nation's first President. Khama, a respected leader and statesman, who played a key role in shaping Botswana's political trajectory and fostering national unity. The country chose to maintain close ties with Britain even after independence, therefore becoming a member of the Commonwealth.

Since independence, Botswana has established itself as one of Africa's most stable democracies, with regular elections, peaceful transitions of power, and the citizens abiding to the laws governing the country. Through its founding President Seretse Khama, BDP, has been at the forefront of the country's political landscape, winning every election since independence. The BDP's long-standing rule has been characterized by a commitment to democratic governance, economic development, and social progress.

The country is operated through a multi-party democratic model, by the constitution made by 3 arms namely, Legislature, Executive and Judiciary. Through

the Legislature, there is the chieftaincy wing, Ntlo ya Dikgosi, and the parliament formed by voted members of Parliament. The Chiefs at the Ntlo ya Dikgosi acts as advisors to the Members of Parliament when making laws to govern the country. Then the Judiciary, is the arm responsible for interpreting the laws and ensuring the laws are abided by and further resolving disputes within the country between any parties, people, companies or institutions.

Lastly the Executive is made up of the President with his/her cabinet, as the head, he chooses his vice and his ministers. Operations at the district level are in the hands of Council secretaries and council chairpersons also appointed by the president.

Administratively the country is divided into District Councils, City and Town Councils). Through the appointment by the president, council chairpersons, mayors and council secretaries are in charge of local governance in these areas. The political and administrative appointed members work harmoniously to run the operations of their catchment places.

Botswana's political stability has provided a favourable environment for economic expansion and development.

1.4 Analysis of Colonial Influence on Botswana

According to Massey (1980), the British's primary goal in Botswana was to protect the country from other interested colonial masters and also to defend a northern supply route which was beneficial to them. Post to that, Britain saw that Botswana can be used administratively by supplying self-sufficient and contributing migrant workers to the South African economy, which was not only compatible, but also complementary. The availability of inexpensive labour in South Africa led to increased returns on British investments in the country. From around 1800 to 1930, British wealth dominated South Africa's developing economy. Therefore, Britain implemented policies that were more concerned about gaining cheap and less costly workers to South Africa over promoting the infrastructural development in Botswana.

He further emphasized that it was intentional for Britain to be less involved in the governance of Botswana as compared to other colonies, because their drive was only to use the country as a supplier of cheap workers. This had a negative huge impact on Botswana as its strides on the development phase were delayed. That is

one of the reasons, by 1930, through its practices Britain changed most of Botswana areas into suppliers of cheap workers or labourers to South Africa. Some of their barbaric acts included not developing Botswana, giving South African labour exploiters access to Botswana to recruit them, not refusing South Africans to forcefully get Botswana's livestock and land. The transformation of Botswana into a labour reserve brought negative impacts such as division among tribes, it also affected the labour market as mostly strong, productive young men were those recruited to work in South African mines.

His sentiments were that, to most people, colonial control first created new economic demands and requirements; however, the end outcome of this was damaging and regressing to an economy which was once self-sufficient, and the recruitment of innocent people to be exploited in the migrant labour system of South Africa. This delayed development in Botswana and the country is still struggling to catch up to countries such as South Africa, Zambia, and Namibia where their colonisers were very much intentional about bringing industrialisation to them. This impact is still evident to date.

Moreover, he lamented that when Britain decided to protect Botswana in 1885, it was not for its strong desire to exploit the territory's natural resources. Rather at first Britain's protection of Botswana was for its mere fact that it wanted to exercise its power against other colonial rivals. To be more specific, Britain wanted to show Germany that it cannot take over Botswana as the Germans wanted to expand its power from Namibia to Botswana and Transvaal. So, Britain protected Botswana, so that they could have freedom of movement from "Cape to Cairo" hence the Germans were a threat and invading their sovereignty. In this way Britain had to protect Botswana regardless of not being worthy but for the mere fact that it could serve them in accessing other so considered territories such as Zimbabwe which was rumoured to be having abundant natural resources.

Therefore, it is not surprising that he believed that Botswana's development into a labour reserve was helped in part by the colonial government's neglect policy. In addition to the overarching strategy of neglect, other active policies facilitated this transition. These active policies were relatively quiet when compared to what was happening in neighbouring countries such as Swaziland, Malawi and Zimbabwe which were more enticing compared to an area the whites deemed as poor.

Through his article it was found that prior to 1899, Britain was less involved in the administration of Botswana. Besides not so influential work such as drought relief of providing grain to the people, settling misunderstandings on issues boundaries and concessions, Britain preferred to be less involved in the affairs of Botswana. So after winning their battle against the Germans and the Boers, and getting their way of controlling the road to the north, Britain preferred to be swamped only in the administrative roles of governing Botswana. So, the money they made through the protectorate, was used to run the administration necessities with the remains made to benefit the Whites leaving Botswana with nothing to benefit hence drastically affecting the economic progress of the country.

It should also be highlighted that, in Botswana, land was taken from Botswana and given to the whites to settle, this land could have benefited the natives as it was primarily ripe for agricultural purposes. Further, this land transformation and transfer costed majority tribal groups as they lost land creating a serious land shortage. This affected production too, because the land that could be used for agriculture, produce food, and also give Botswana was now given to White settlers.

This article evidently shows that, during the colonial rule, Botswana was just exploited to produce cheap migrant labourers to South Africa, no development was done to grow the country nor was the country well manned. For the fact that migrants' labourers recruited to South Africa were men in their productive ages, this affected production and hence development of Botswana. A huge number of these men operating in the mines in South Africa took away the ability of Botswana to be agricultural self-sufficient and now the country's potential to produce for itself was over dependent on South Africa hence neglecting the development of the country.

Finally, Massey concluded that the British changed Botswana into a labour reserve using their colonial policies. Among other highlights of these policies, were exploitation and neglect on Botswana and none if not less effort to develop the local potentially productive resources, forcing Botswana men working in South African mines to pay tax, allowing South African authorities to recruit and exploit labourers from Botswana and sadly this was beneficial to South Africans but brought negative impact to Botswana's government spending. The same sentiments were echoed by Bolt (2016), where he stated that income inequality rose during the colonial era under the auspices of colonial authorities. According to his article, it was during the colonial and pre- independence era when income and social inequalities were prevalent. This

was due to the British administrative system which influenced the formal and informal job creation especially in the cattle sector industry. This affected the rearing of livestock especially cattle farming and also worsened the problem of wages leading to severe income inequality. When Botswana was under British administration as a colony, it experienced an increase in government wages, growing economic inequality and all these dynamics created a disparity of income gap between those working in the public entities and those working in companies owned by business individuals hence the inequality that we are living in currently.

1.5 Economy of Botswana

Botswana's economy has historically been driven by diamond mining, which remains the country's dominant industry. The country takes pride in being the best producers of quality diamonds, with significant reserves and high-quality gemstones. The diamond sector contributes significantly to government revenue, export earnings, and economic growth. Recognizing the risks of over-reliance on diamonds, Botswana has pursued efforts to diversify its economy into other sectors. These include tourism, agriculture, manufacturing, and services. Tourism, in particular, has emerged as a significant contributor to the economy, with Botswana's diverse wildlife, pristine wilderness areas, and cultural heritage attracting visitors from around the world.

Through its successful economic status, it is evident that Botswana has maintained a stable macroeconomic environment characterized by low inflation, prudent fiscal management, and sound monetary policies. The government has implemented measures to promote fiscal discipline, including the establishment of a sovereign wealth fund (the Pula Fund) to manage diamond revenues for future generations. Furthermore, Botswana has adopted investment-friendly policies to attract foreign investment and promote private sector development. The government has implemented reforms to streamline business regulations, improve infrastructure, and enhance the ease of doing business in the country. Botswana's political stability and respect for the rule of law further bolster its attractiveness as an investment destination.

In Africa, Botswana solely stands as an epitome and only country which showcased a steadfast economic prosperity in 2 decades. From 1966, after getting its independence, Botswana has changed from being poor and elevated to a country

which fared quite satisfactorily in the economic scale. Post-independence timeframe Botswana has improved very well in its economic growth. In a year Real per capita income increased by more than 7 %, a huge achievement that places the country in the same league with Asian Tigers such as Thailand and Korea during this period. Through its good fiscal and monetary policies, the country managed to nurture this needed economic growth. The country is well known for a good reputation as it never experienced resource curse. Moreover, the country was never affected by Dutch disease because it managed its exchange rate well to avoid significant appreciation. However, due to a weakly diversified economy the country is now regressing. A diversified production base is essential if the country has national development plans over a long period. It is also critical for generation of productive employment opportunities for the population. Indeed, one of the several factors often cited as explaining the country's high levels of unemployment is the excessively relying on the diamond and mining of resources which naturally requires a lot of money to implement and maintain (Siphambe, 2017).

Arguably, unemployment is the most pressing problem confronting policymakers in Botswana, especially after the COVID-19 pandemic. At the national level, unemployment is estimated at 37%. The problem is more pronounced amongst the youth, standing at 43 %.

Worth noting is that in an economy not generating many jobs, the youth are likely to be the most affected. Employment creation opportunities to absorb these youth, is a key challenge to addressing the issue of youth unemployment. Employment creation has a key advantage of fighting poverty by availing wages that are adequate and avoiding development of the situation of a working poor. Understanding unemployment especially for the youth is therefore very critical for Botswana's development at this stage technological advancements and industrialisation.

The mineral-led economy has created jobs, but not at the same rate as the increase in labour supply. Due to the unstable economic status of the country, all who are productive and ready to work, cannot be employed especially among the youth, which may reflect certain distortions in the Government's macroeconomic and sectoral policies. Some of the wrong macroeconomic policies are the use of capital-intensive technology in a country with surplus labour and some import substitution industrialisation strategy. At the sectoral level there has been inadequate

support in terms of infrastructure and finance. The government's priority should be to put attention to programs and policies that will better the outcomes of the market dynamics, especially creating employment opportunities. This will put the country in a better position to grow and prosper, because developing the labour market will unlock the country's economic prosperity.

Despite its prevalence, youth unemployment is not well-researched and poorly understood in Botswana. From way back, youth unemployment has been associated to orthodox theories which associate youth unemployment to education and training systems, lack of experience and sometimes even individual factors such as cultural factors and societal networks. All these factors are thoughts of the neo classical school of thought and they are debatable, it is therefore important to highlight that youth unemployment in Botswana, is not mainly caused by all the above mentioned factors but rather youth unemployment is a result of the country poorly implemented fiscal policies, failure to diversify the economy, over reliance on the diamond mining sector, absence of industrialisation and many other structural barriers in the labour market. This has little to do with the education system or even vocational training as we may have been socialised to believe (Siphambe, 2017).

1.5.1 General Economic Status

Using the Labour Force Survey (LFS) of 2022, it is stated that the total labour force in Botswana was approximately 1,145,189 people. This figure represents the number of individuals actively participating in the workforce. The Labor Participation Rate (LPR) in 2022 among the population aged between 15 and 64 remained nearly unchanged as compared to the previous statistics thus remained at 66.85%. These statistics show the rate of people who are working and / looking for jobs.

Since 1966, the nation has had consistent and stable economic growth, resulting in its transformation into a middle-income nation with an average GDP per person at market exchange rates of almost \$7,830.67 (CEIC, 2021). Additionally, the country has made some incredible investments and advancements in the fields of health and education. Botswana is mostly dependent on the export of diamonds. This generates 16% of GDP and, on average, accounts for about 90% of its export revenues (DeBeers Group, 2021).

Additionally, Botswana exports a significant amount of beef to the EU, despite the numerous issues this sector is currently facing after the COVID pandemic. Approximately 3% of GDP is contributed by agriculture. Therefore, when combined, mining and agriculture account for roughly 39% of the GDP in rural areas. Botswana is currently emphasizing economic diversification by focusing on industries like tourism, which has room to grow (BIDPA, 2006). In Botswana Country Private Sector Diagnostic report by the International Finance Cooperation of the World Bank, it is stated that, other strong economic sectors with high probability for growth, such as energy, water and sanitation, and tourism, can be explored and manipulated to produce jobs, lower the levels of inequality, and assist in diversify the country's dependence on the diamond economy (World Bank-IFC, Botswana CSPD, 2022).

1.5.2 Macroeconomic conditions

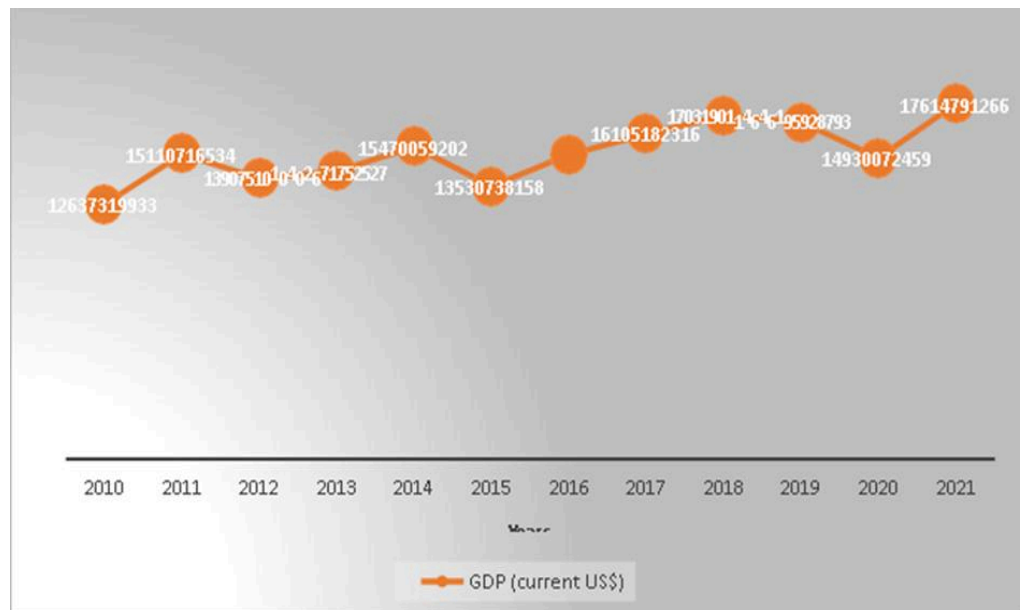
Among African nations, Botswana is notable for its effective development strategy, strong economic results, and extended history of macroeconomic stability. The nation has put in place a number of pro-investment policy initiatives that have helped finance large expenditures in social protection, infrastructure, health care, and education. Nonetheless, there is a chance to reinvent things in order to raise human development statistics and lower inequality and the risks of not getting jobs.

At present, the GDP at current market values is around \$18 billion. The GDP at constant prices estimates from the Statistics Botswana show that the economy grew by 8.62% overall in 2021–2022, with real GDP growth averaging between 5 and 6% when the trends of inflation were taken into consideration. Compared to the 25.3% increase in the GDP in 2020–2021, the real growth for 2020–2021 was 10.5%. According to data from 2021-2022, the real GDP of the mining sector was 16%, while other sectors such as manufacturing, construction, and agriculture had a 20.2% increase (Statistics Botswana, 2021).

The real GDP of the non-mining sectors in Botswana during 2021-2022 exhibited interesting trends. The manufacturing sector's real value-added growth rate experienced fluctuations during this period, hence not easy to interpret, in spite of that it's worth noting that manufacturing significantly contributes to the economic performance of the country, hence contributory to overall GDP of Botswana. The construction sector also had varying growth rates in real value added during the

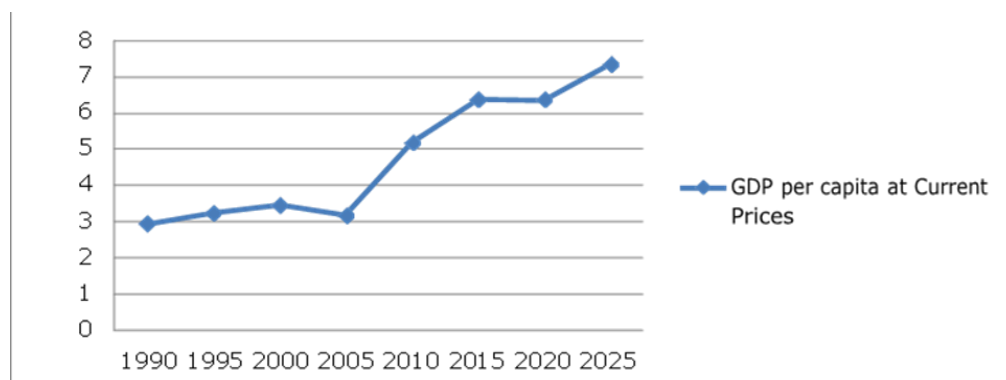
2021- 2022 period. Notably so, construction activities are crucial for infrastructure development and economic expansion. On the other hand, Agriculture's real value-added growth rate showed positive momentum. Agriculture contributed around 1.8 % to Botswana's GDP in 2022. While this percentage may seem small, agriculture remains vital for food security and rural livelihoods.

Figure 5-Botswana GDP 2010-2021 in Billions.



Source: World Bank (2021).

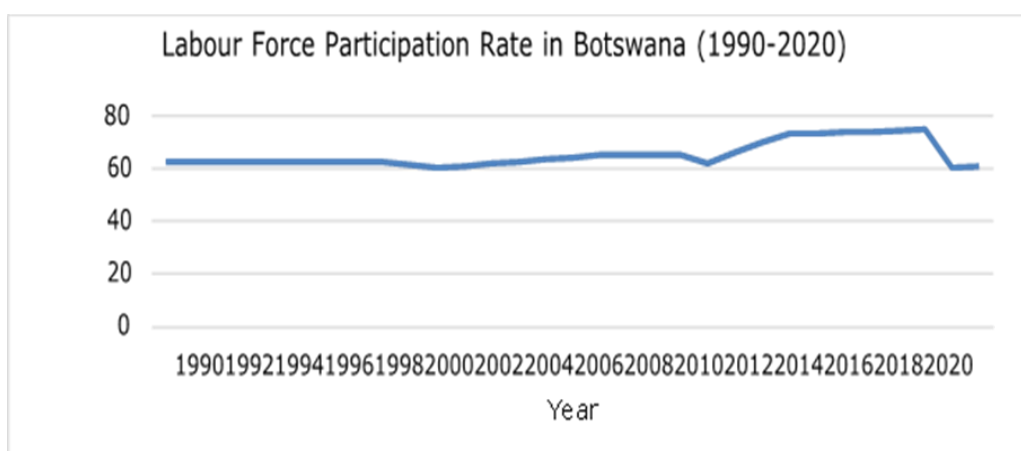
Using figure 6 below, which is an extract from FES-ILES study, the findings showed that Botswana's GDP per capita at current prices has shown an upward trend from 1990 to 2022. It was \$2.94 billion in 1990, increased to \$3.17 billion in 2005, and reached \$6.35 billion in 2020. According to projections by the International Monetary Fund (IMF), Botswana's GDP per capita at current prices is anticipated to go up to \$7.35 billion by the end of 2025.

Figure 6-GDP per capita at Current Prices.

Source: FES-ILES Report (2021-2022).

Due to different economic dynamics in Botswana, the inflation rate has been fluctuating. Between 2021 and 2022, Botswana experienced fluctuations in its inflation rate. In 2021, the inflation rate was 7.2%, marking a 5.4 % increase from the previous year. In 2022, the inflation rate further rose to 11.7 %, representing a 4.4% increase compared to the previous year (Statistics Botswana Annual Report 2021-2022).

The labour force participation rate in Botswana has seen fluctuations over the years. In 2022, it stood at 64.6%, marking an increase from the previous year's rate of 64.2%. This percentage represents the share of the people considered to be eligible to work, and at that time they can either be employed or actively seeking employment. (Macrotrends, 2022).

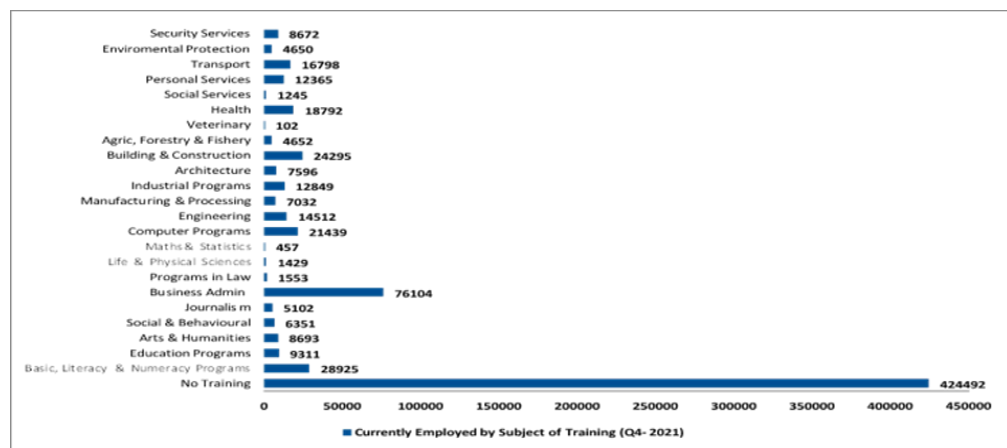
Figure 7-Labour Force Participation in Botswana (1990-2020).

Source: Statistics Botswana (2022).

1.5.3 Formal Employment

In Botswana, formal employment in the formal sector provides crucial data for policymakers and analysts. According to Statistics Botswana, Labour report, (2022), the employed population (age 15 years and above) was approximately 978,396. For the same period, the employed population (age 18 years and above) stood at around 972,404. On average, workers for the formal sector got 497.98 USD as monthly salary in 2022.

Figure 8- Formal Employment Sector by Industry



Source: ILES, FES (2023).

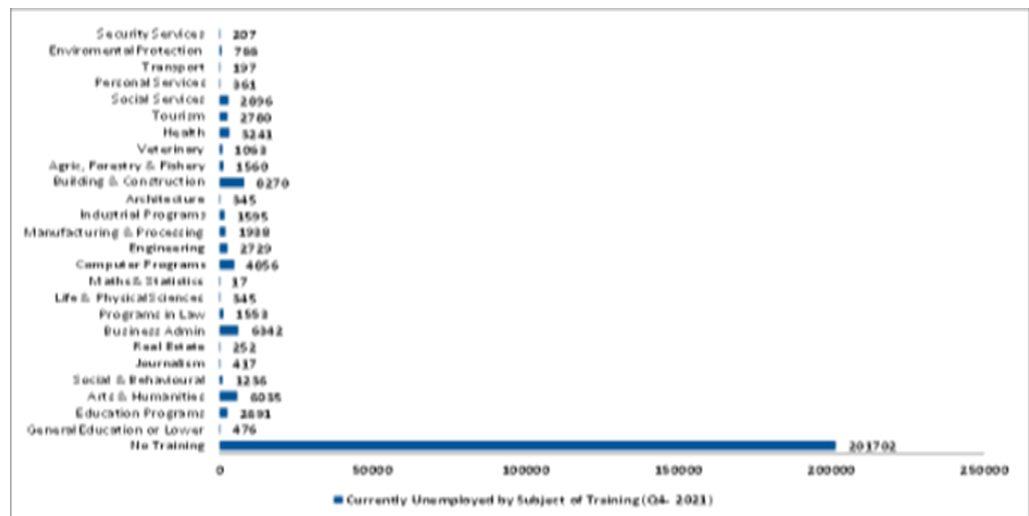
1.5.4 Informal Employment

In Botswana, informal employment is important in the labour market as its role is influential in the dynamics of the market. It encompasses various economic activities that operate outside formal regulations and structures, it includes self-employment, small-scale businesses, and casual labour, through the informal sector approximately 191,000 people are employed. However, most of these workers lack social protection, making them vulnerable during shocks like the COVID-19 pandemic and any other collective bargaining benefits. The informal sector gives jobs to around 190,000 people, with most of them being vulnerable groups being women and the young people.

Although relatively small compared to neighbouring countries, the informal sector in Botswana experienced rapid growth (a staggering 233%) during the period from 2007 to 2015. The World Bank projected that Botswana's growth will slow down

to 3.8% in 2023, primarily due to a decline in diamond production and prices. However, growth will substantially grow upwards, driven by efforts of diversifying the economy and also the positive demand for diamonds hence more returns (World Bank, 2022). On the other hand, The IMF anticipated a growth rate of 3.8% for Botswana in 2023, with inflation falling below the lower bound of the central bank's objective range (IMF, 2022).

Figure 9-Informal Sector Participation of Youth by Industry.



Source: ILES, FES (2023).

Around the world it is figured that the informal sector gives employment to approximately 61% of the people expected to be working, that accounts for 2 billion workers. Using the ILO estimates, 86% of men and 92% of women get jobs in the informal sector. For Botswana, 191,000 people are working in the informal sector. Despite offering jobs for such large numbers, people in the informal sector welfare are compromised hence there are largely vulnerable to shocks as observed during the just ended and recent COVID-19 pandemic.

During the launch of the National Informal Sector Recovery plan recently, the responsible Minister stated that this plan offers solutions to problems affecting the informal sector businesses. According to the Minister, The Botswana National Informal Sector Recovery Plan (ISRP) will cushion the informal workers in the informal sector from the consequences of the impact of the pandemic. Therefore, the mandate of the plan is to move from the informality of the sector and transition

toward ensuring that there is decent work for all and availing a conducive environment to encourage sustainable, successful informal sector businesses.

The plan draws inspiration and therefore is aligned to recommendations from ILO, which emphasize upgrading the informal to the formal economy. Especially, being ready and in a position to deal with similar unforeseen circumstances that the informal sector may be challenged with in the future. Hence, the strategic goals of this plan are establishing facilitation structures for ease of implementation in the informal sector and revitalising the economy for the informal sector.

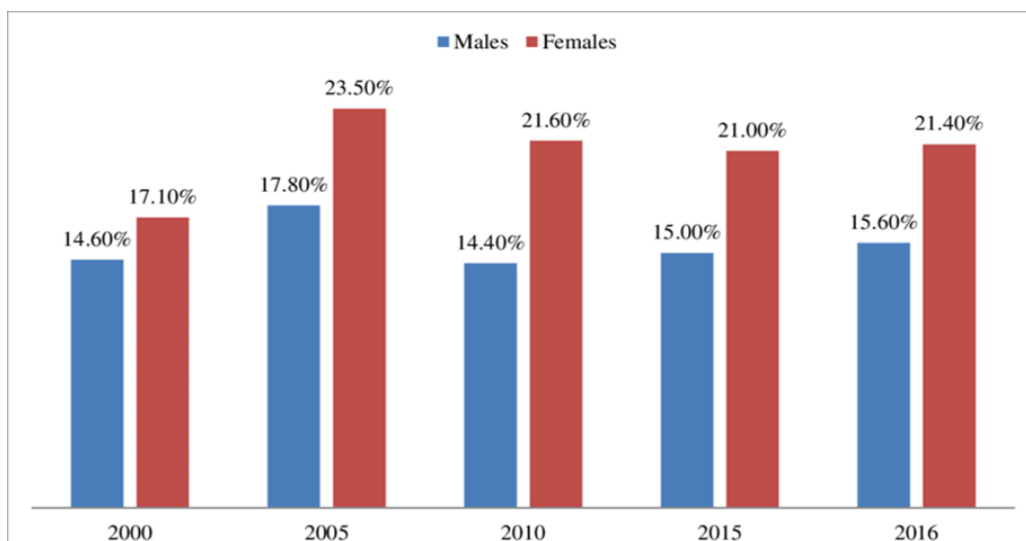
When highlighting the importance of the plan, the Minister stated for all that it is important to raise awareness of the plan and share it with all affected parties. Through this initiative, reviews will be made on the SMMEs, policies and strategies to fully support the informal sector development. For ease of reporting and feedback, Local Enterprise Authority (LEA) has been assigned the responsibility to ensure that the objectives of the plan are well implemented.

1.5.5 Unemployment

According to statistics on labour force analysis, Botswana has had a persistently high unemployment rate for many years. In the past 10 years the rate ranges between 35 % and 45 % for the youth.

One of the biggest issues the nation is battling to solve is unemployment, as the consequences of crises such as the recent Covid 19 pandemic and financial crisis in 2008. During that time, the number of persons who were having difficulty finding work rose significantly, particularly among the youth. The situation got worse when COVID- 19 struck the nation, as it did the rest of the world, and thousands of workers lost their jobs as a result of the lockdown.

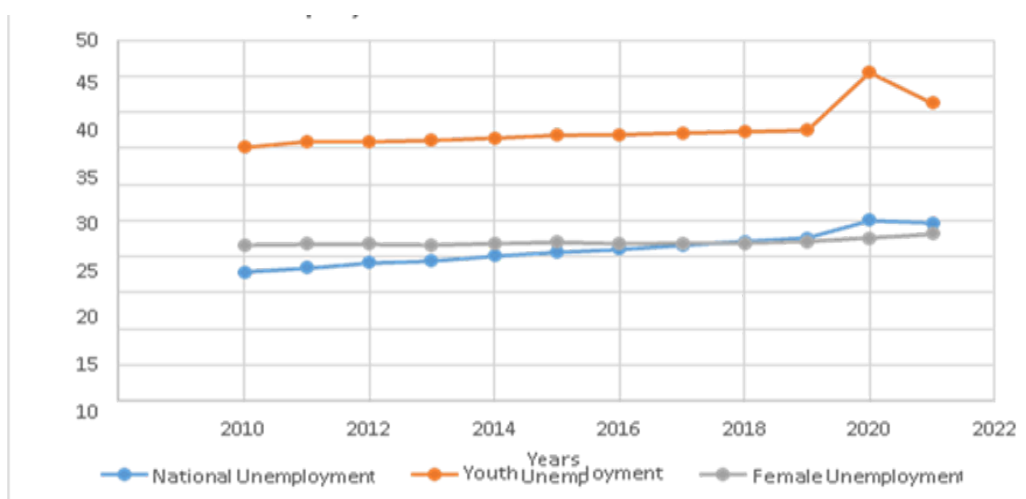
Figure 10- Unemployment rate in Botswana by Gender



Source: Statistics Botswana (2022).

The most recent data for 2022-2023 reveals an overall 23.6 % unemployment rate. Out of the 114,422 unemployed people, 63,546 were women, with a large proportion of these being young women with years ranging between 12 and 29. The unemployment rate for men is usually slightly lower, whereas it is usually higher for women.

Figure 11- Unemployment rate in Botswana-National, Youth & Women.



Source: Labour Force Survey (2022).

In December 2022, the percentage of the labour force unemployed had increased from 23.6 % in the 2022 Labour Force Survey to 26.0 percent in 2023. A portion of this can be attributed to the effects of COVID-19, since unemployment was

22.2 percent in December 2019 (pre-COVID, but unemployment had been rising even before COVID). Although these are high rates of unemployment, they are not greater than those that were noted in the middle of the 2000s. However, the long-term trend is upward and ascending.

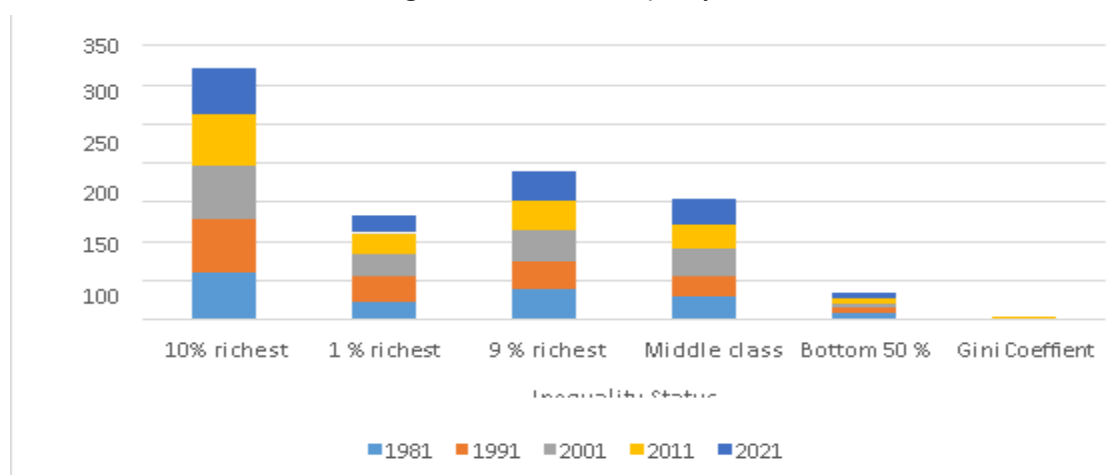
On issues of social protection and its citizen's welfare, Botswana has made significant strides in social development, including improvements in education, healthcare, and poverty reduction. The government has invested in expanding access to education and healthcare services, resulting in higher literacy rates and improved health outcomes. However, challenges such as income inequality and high rates of HIV/AIDS prevalence, youth unemployment remain areas of concern.

In terms of economic regional integration, by being a standing member of SADC and being actively involved in engagements and dialogue at both SADC and AU, Botswana is working relatively well with other countries. The country participates in regional trade agreements and initiatives aimed at promoting economic cooperation, infrastructure development, and cross-border trade.

Despite its economic successes, Botswana still faces several challenges, including high unemployment, income inequality, and limited economic diversification. The country's reliance on diamond revenues exposes it to external shocks and price fluctuations in global commodity markets. However, Botswana also possesses significant opportunities for further economic growth, including its abundant natural resources, strategic location, and skilled workforce.

1.5.6 Economic growth, Poverty & Inequality

Even though Botswana has experienced economic prosperity, the country is nevertheless plagued by poverty. Though Botswana portrays a relatively high-income level, poverty is quite high, there are no opportunities of job creation, occurrence of structural unemployment stands at a high of 10 % (end of 2022), recording a Gini coefficient of 53.3.

Figure 12-Income Inequality in Botswana

Source: UNDP Report (2020).

The following characteristics of the scope and intensity of poverty in Botswana were found in the most thorough study on the subject by BIDPA (BIDPA, 2017). In 2022, 109,503 families had an estimated 623,100 members who were either extremely poor or poor. When comparing rural and urban areas, poverty is more prominent in the latter than the former. For instance, 62% of the impoverished or extremely poor resided in rural regions, 24% in urban villages, and 14% in cities in 2022. Compared to male-headed families (MHH), a greater percentage of female-headed households (FHH) were impoverished. For instance, compared to 309,221 people from MHH, an estimated 313,880 people from FHH were impoverished in 2022. The capital city of Gaborone has the least amount and least severe poverty as compared to places in the rural areas.

As the country continues to pursue diversification, innovation, and inclusive growth, it remains poised to harness its potential and build a prosperous future for its citizens. The country's economy has been fuelled by diamond mining, which has contributed significantly to its GDP and foreign exchange earnings. Botswana has also diversified its economy into tourism, and agriculture, thus striving to lower the urge of diamond-dependency and promote sustainable development.

In recent years, there have been calls for political reforms to enhance accountability, transparency, and inclusivity in governance. Efforts to address these challenges are ongoing, with initiatives aimed at promoting good governance, strengthening institutions, and fostering socio-economic development.

1.6 Overview of Youth Unemployment in Botswana

Botswana has a significant youth population, with young people aged 15 to 35 years comprising a substantial portion of the country's demographic profile. According to recent estimates, youth make up 34.6 % of the total population, representing a sizable cohort with diverse aspirations, talents, and potential.

Youth unemployment in Botswana is a pressing socio-economic issue, with high rates of joblessness among young people contributing to social and economic challenges. According to official statistics, the youth unemployment rate in Botswana has fluctuated in recent years but generally remains higher than the national average. As of the latest available data, the youth unemployment rate is at 43 %, significantly higher than the overall unemployment rate, which typically is at 20.7. For instance, young people residing in the cities seem to be affected by unemployment more as compared to their mates living in rural areas. In the standard orthodox model of labour markets, especially those associated with neoclassical economics, they suggest that unemployment occurs when the availability of labour exceeds the need for labour. According to them, some factors to take into consideration include among others, skills mismatch by youth, and demands of the labour dynamics, may lead to underemployment and precarious employment situations.

It is along these thoughts that previous studies suggest some contributing factors such as education plays a crucial role in shaping youth employment prospects in Botswana. While the country has made significant investments in expanding access to education, including primary, secondary, and tertiary levels, challenges persist in ensuring that educational outcomes align with the needs of the labour market. One of the worrisome concerns are how qualified and valuable is the education system, and how relevant are the training programs.

But as elaborated by Keynesian school of thought, unemployment is not an issue of supply and demand for labour, rather unemployment may be due to various confounding factors such as structural barriers, such as limited access to finance, lack of job opportunities in certain sectors, and barriers to entrepreneurship, hinder young people's success or lack of success thereof being able to get a job. According to recent trends and patterns, youth unemployment in Botswana exhibits certain trends and patterns that reflect underlying structural and systemic issues. Additionally, factors such as gender discrimination, geographic disparities, and

socio-economic inequalities further exacerbate youth unemployment rates, particularly among marginalized groups.

The growing rates of youth not getting employment in the country of Botswana have far-reaching implications for individuals, families, communities, and the broader economy. Unemployment can lead to social exclusion, increased poverty, heightened status of criminal activities and intake of illegal substances, and diminished prospects for social mobility. Moreover, youth unemployment leads to a delay in polishing the available talent and subsequently future technical human resource, thus hindering economic growth and development potential.

CHAPTER 2

2. LITERATURE REVIEW

The globe is currently dealing with an unprecedented issue of youth unemployment. As a result, a great number of research on a variety of social policy concerns and the ensuing program responses to address the issue have been carried out in both the northern and southern contexts. Despite considerable efforts to buck the trend, youth unemployment rates are still rising (ILO, 2022). Pertaining to the same issue, information is available and accessible in Botswana from multiple sources. Based on various research studies and surveys carried out, it may be concluded that most young people do not have jobs, remain unemployed in comparison to adults. Perhaps as a result of the aforementioned ongoing problem, the government of Botswana launched and formed a number of programs in a quest to improve the lives of the youth, especially the hard-hitting problem of youth unemployment. It is evident that over the years, the Botswana government has worked to address and enhance opportunities for youth employment in subsequent national development plans, policies, programs, and related national strategic papers. The first National Policy on Youth (Youth Policy, 1996) was publicly adopted by the government in 1996 and serves as its main youth development policy. By doing this, the government acknowledged that young people are underprivileged and in need of immediate assistance. Nevertheless, this acknowledgment did not result in the creation of long-term job possibilities or a significant improvement in the youth's quality of life. Instead of bringing positive results, the problem keeps on escalating hence the Youth Policy objectives and availed programs with their initiatives are quite questionable. In light of this, the thesis paper seeks to in-depth explore the underlying reasons, consequences, and difficulties associated with youth unemployment in Botswana. It analyses the issue of youth unemployment, especially the policies, programs and interventions that may be adopted to tackle youth unemployment in Botswana. Through this analysis, the reality will be studied, especially the causes of youth unemployment, the impacts or consequences of not working and the suggestions or solutions to the problem.

2.1 Youth Unemployment

Youth Unemployment- The concept pertains to the portion of the labour force aged 15- 35 who are unemployed but available and actively seeking work. In many countries, especially sub-Saharan Africa, the unemployment rate among young people is notably higher than the general unemployment rate.

Similar to other nations in Africa, Botswana has also experienced the issue of youth unemployment. Approximately 1,257, 415 youth or 47%, of the 2,675, 352 Batswana in 2022 were counted. The continuous increase in youth unemployment rate has been seen as a national challenge due to the nature of youth restlessness, poverty, and inequality. Based on statistics collected from multiple sources, the official unemployment rate in Botswana is high, with the country's youth unemployment rate at 41% in 2023. With limited success, Botswana's government has been trying to come up with new ideas on how to give young people more work options.

Across the globe, unemployment is 3 times more for the youth as compared to national unemployment. For the African region, youth unemployment is quite below average for men and women. With that said however, there are some differences across the region as it has been depicted that in Northern Africa, youth unemployment affects women more as compared to the men.

It is reported that Africa's Youth Unemployment rate increased over a three-year period from 11.5 % to 12.9 % from 2019 to 2021 which translates to a 1.4 %. However, the World youth unemployment rate increased by 2.1 %.

2.2 Conceptual Framework on Youth Unemployment

By considering these interconnected factors within the conceptual framework of youth unemployment in Botswana, policymakers, researchers, and practitioners can develop targeted interventions and ways to deal with the root causes of unemployment of the youth, promote inclusive growth, and empower young people to realize their full potential in the labour market. According to mainstream theories, we have been socialised into believing that unemployment is caused by individual factors, institutional factors, cultural and social factors.

From the perspective of mainstream thinking, the level and quality of education attained by youth in Botswana play a significant role in their employability. Factors such as educational attainment, field of study, and vocational training

programs influence young people's readiness for the job market. Another significant individual factor according to orthodox theorists is the issue of work experience: According to this line of thinking, previous work experience, internships, and practical training contribute to youth employability. Access to opportunities for gaining relevant work experience is essential for enhancing young people's job prospects. Furthermore, they emphasise that entrepreneurial skills play a pivotal role in getting a job: They therefore believe that the development of entrepreneurial skills and attitudes among youth is critical for fostering self-employment and creating opportunities for business creation and innovation.

According to neoclassical theorists, youth unemployment is associated with factors such as educational status and technical training systems one has acquired and trained through respectively: the quality, relevance, and accessibility of Botswana's education and training systems influence young people's preparedness for the workforce. Strengthening links between education and industry, enhancing vocational training programs, and promoting lifelong learning opportunities are critical for addressing youth unemployment. This is contradictory as education enrolment and pass rate is quite high in Botswana, yet youth unemployment remains disturbingly high.

To this school of thought, cultural and social factors, such as cultural perceptions have been cited as influential factors in the youth not getting employment. These reasons are more related to neo-classical theorists and are subjective thus lacking truth in them., From a Keynesian or heterodox perspective, societal attitudes, cultural norms, and traditional gender roles does not influence young people's career aspirations, choices, and access to employment opportunities whatsoever. Rather they advocate for diversifying the economy and promoting the growth of more advanced industrial activities which can be used in addressing the problem of youth unemployment and promoting sustainable labour market thus enhancing youth employment opportunities.

On the flipside, Keynesian and critical theorists agree generally that government intervention is almost always necessary, especially in peripheral countries to stabilize and develop the level of economic activity (Stiglitz,1993). According to this school of thought more emphasis is put on structural barriers, government macroeconomics intervention and investment interventions such as

policies on foreign direct investment and domestic financing and development schemes for local productive activities to promote full employment for citizens.

In relation to this, then it's easier to appreciate that youth unemployment may be caused by labour market factors such as, economic conditions: Botswana's economic growth, GDP per capita, and eventually sectoral trends impact youth unemployment rates. Hence it is important to intensify economic diversification efforts, particularly reducing dependency on diamond mining, thus influencing the availability of job opportunities for young people.

Furthermore, government labour market policies have an influence in regulating the market issues related to market dynamics regulation, minimum wage laws, and youth employment initiatives shape the structure and dynamics of youth employment. Effective labour market policies can facilitate the transition from school to work and promote youth inclusion in the formal economy.

The role of the informal sector is of great importance as well. The prevalence and characteristics of the informal sector in Botswana, including self-employment, casual labour, and small-scale entrepreneurship, provide alternative avenues for youth employment. Policies that support the formalization and regulation of informal enterprises can improve job quality and stability for young workers.

Unlike the neo-classical reasoning where more emphasis is put on the individual factors, the Keynesian explains the effect of structural factors in influencing employment if not unemployment, amongst them, lack of economic activities and scale of production dynamics that can absorb the supply of labour force. Furthermore, aspects of the social structure are also important: socio-economic disparities based on factors such as gender, ethnicity, geographic location, and socio-economic status influence access to employment opportunities among youth in Botswana. Addressing social inequalities through inclusive policies and programs is essential for reducing youth unemployment.

The demographic trends, population dynamics, including population growth rates, age structure, and urbanization trends, affect the supply of labour and the competitiveness of young job seekers in the labour market. Understanding demographic shifts is crucial for anticipating future labour market challenges and opportunities. Hence in a quest to provide full employment services to its people the government must be intentional about promoting investment to develop private and state-owned companies, government spending and use its resources to provide

social services for all. It is therefore imperative to highlight the effectiveness of public employment services, career guidance, and job placement programs in Botswana therefore facilitating youth transitions from school to work. Furthermore, strengthening employment services and promoting youth-friendly job search platforms can improve young people's access to employment opportunities. The availability of social protection programs, including unemployment benefits, income support schemes, and youth-specific interventions, can mitigate the negative impacts of youth unemployment and promote economic resilience among young people in Botswana.

2.3 Theoretical Literature Review

Socioeconomic literature that examined the dynamics of labour participation in Botswana's and other countries' labour markets has been written by various researchers. The theoretical and empirical examination of labour markets has seen numerous noteworthy advancements in recent years. The dynamics of labour supply and demand are becoming more and more important in explaining the disequilibrium behaviour seen in most economies.

Several theories provide reasonable explanations of youth unemployment. The most common widespread economic ideas in academic economics have been attributed to the neoclassical paradigm. The neo-classical theories were popularized by labour economists (Diraditsile, 2016). Neo-Classical theories of employment are favoured by most economists to explain employment and unemployment conditions in most countries. From the perspective of neo-classical labour economists, unemployment is categorized into among others; voluntary, involuntary, and structural (Diraditsile, 2016).

Voluntary unemployment is when people choose not to work at the prevailing market wage rate. Instead choose to stay unemployed because remuneration for work available is far below their wage expectations. Instead of taking available low paying and often indecent jobs they opt for leisure or other activities. In Botswana, the social welfare system (including traditional welfare structure where one is taken care of by the family until old age) has been blamed for encouraging voluntary unemployment among young people. Involuntary unemployment on the other hand, arises when qualified and able-bodied people fail to get jobs at the prevailing wage

rates. Jubenkanda (2003), posits that involuntary unemployment is a product of coordination failures that result from the disconnection that exists between universities and industry. As a way of trying to address the problem, some universities have introduced internship programs. In Botswana, some of the programs are driven by the government. The programs involve university students getting attached to an organization for a specified period to gain practical work skills. In the view of mainstream economics and sentiments from multi-international organisations such as the World Bank and International Monetary Fund, youth unemployment could be caused by lack of qualifications, geographical disparities, real wage rigidity, skills mismatch, cyclical unemployment due to lack of experience, and cultural or social factors such as drug use, history of broken families and criminal records.

For this paper, unemployment will be explained from the Keynesian school of thought and principles. According to Keynesian theory, the primary cause of unemployment is insufficient demand in the economy. Keynes argued that without enough demand for goods and services, there would not be enough jobs for everyone who wants to work. This henceforth leads to 'involuntary unemployment' (Minsky, 1975). He also noted that wages are often inflexible downwards due to factors such as money illusion, whereby workers resist nominal wage cuts and institutional reasons such as trade unions agreements with the government on behalf of workers. To combat this, Keynes advocated for government intervention to increase demand through fiscal policies like increased government expenditures, lowering taxes and promotion of foreign direct investment. This, he suggested, would stimulate demand, increase production, and eventually reduce unemployment. Keynesian economics emphasizes the role of government intervention in stabilizing the economy and promoting full employment. It is based on the idea that government spending can stimulate economic activity and create jobs, especially during times of economic downturns.

Appreciating other theoretical thoughts, Siphambe et al. (2020) examined factors that influence youth's transitions from the labour market to unemployment in Botswana's Gabane community. The study used multiple regression analysis with the multinational logit model after adopting the Markov transition probabilities theory to gauge the youths' degree of transformation. The Community-Based Monitoring System (CBMS) was used to gather data from every Gabane household. The study's

conclusions showed that the Gabane youth's unique traits influence their transition probabilities across a range of labour market outcomes. Notably, men are more likely than women to be employed or to transition from an unemployment to an employment condition, and this likelihood rises with age.

A related study by H. K. Siphambe (2003) centred on the supply and demand sides of the labour market in Botswana. In order to comprehend the unemployed, the supply side study used the original 1995–1996 Labour Force Survey data. To precisely identify the causes influencing unemployment, a part of the procedure entailed defining a probit function. The study also examined the labour demand from several important economic sectors and attempted to quantify the relationship between employment and its primary core determinants. According to the study's findings, Botswana still has a high rate of unemployment, particularly when taking into account the dejected and underemployed segments of the population such as the youth, people living with disabilities and marginalized rural communities. In addition, the researcher hypothesised that unemployment and job openings coexist because of concerns about the suitability of the educational system, or if graduates have the necessary skills required for the workforce.

According to a different case study, increases in sector productivity can be attributed to breakthroughs in technology, investments in physical capital, human capital improvements, or the distribution of resources from the least productive to the most productive businesses within a sector. This emphasizes the importance of diversifying the economy. The subject of how employment has changed in the service sector is directly addressed by the Baumol (1967) model and its expansion by Baumol et al. (1985). Baumol demonstrates how the less productive sector must go using a straightforward model of two sectors, where one has a constant higher rate of productivity development, and wages are compelled to rise in proportion to its productivity. Unless, naturally, a high-income elasticity maintains the demand for goods and services with low and high productivity at a fixed ratio; in that case, all employment eventually has to concentrate in the sector with low productivity growth in order to sustain its output growth rate (Wachter, 2001).

Based on what is known as Okun's law, the relationship between output growth and employment has been extensively researched. The rate at which real output changes for a given change in the unemployment rate is shown by a coefficient defined by Okun (1962). For any given change in the unemployment rate,

this coefficient hypothesizes a certain empirical link between the change in real output and the growth of the economy. This suggests that in order to maintain a steady unemployment rate, GDP growth must match potential growth. Therefore, the GDP growth rate needs to be higher than the growth rate of potential output in order to lower unemployment (Yinusa, 2011).

2.4 Empirical Literature Review

High young unemployment is a major issue in many developing nations, including Botswana, prompting extensive research on the topic. Research suggests that macroeconomic variables play a significant role in determining youth labour market performance and unemployment rates. In his study Gemen (2014) laments that an important macroeconomic tool that is often considered a very important determinant of youth unemployment is the business cycle (Diraditsile, 2020). Gemen carried out his study on youth unemployment in Spain. According to his findings, youth unemployment is primarily influenced by the business cycle, as it rises at a higher rate than adult unemployment during recessions.

D'Ippolito (2011) did a comparative study on the factors impacting youth unemployment in Denmark and Italy. The study found that a strong economy is a significant predictor of youth unemployment. Low economic activity and high adult unemployment lead to high youth unemployment at the aggregate level. Furthermore, the study found that many countries had a greater unemployment rate among youth due to their vulnerability to economic downturns, as opposed to adults. The same sentiments are echoed by the World Development Report done in 2013, which found that young people suffer most when economic fluctuations occur than workers who have higher ages, identifying key indicators of youth unemployment globally. The report covered many indicators of youth unemployment, such as labour market rules and regulations, economic performance, and demographics make-up of the population.

In a study conducted by Scarpetta, Sonnet & Manfredi (2010), it is emphasized that, during crises, the youth are the most affected. Crises worsen the structural systemic issues affecting young people's transition into the labour force. Though there have been studies showing a positive association with economic status and employment opportunities in both developed and developing countries (Levin

2012), this is not a case in Botswana, because despite the country's flourishing economy, the country has been failing to create enough jobs especially for the youth. Botswana has been praised over the previous few years for persistent economic growth, although such growth can be called 'jobless growth', it's disappointing that despite expanding GDP level, unemployment levels remained high. In this kind of jobless economic growth, unemployment is persistently high.

Twum (2022) investigated employment dynamics in Rwanda by evaluating the possibility of an Industry Without Smokestacks (IWOSS) study-driven path that is driven by the economy. The study examined trends in employment, growth, and job creation. This study used the Integrated Household Living Conditions Survey (IHLCS), a cross-sectional survey based on a district-level stratified sample of respondents. The conceptual article by Bhorat et al. (2019) served as the foundation for the study's approach, which was used to estimate the gaps in skills, labour supply, and demand. According to the study's findings, the government needs to invest in its labour force and innovation quickly in order to maintain the momentum of growth, lest a shortage of professionals and trained labourers become a growth inhibitor.

Caitlin Allen et al. (2021) examined the possibility of implementing inclusive structural change that can create jobs for people with a variety of skill sets within particular IWOSS industries. They also considered the level of expertise required to fully actualize these sectors' potential. The study estimated the skills gaps in the youth population in accordance with these job projections for different IWOSS sectors using data from the labour force survey. In addition, in-depth surveys were carried out, providing a more comprehensive understanding of skill profiles than is possible with labour surveys. These surveys were utilized, if applicable, to estimate the prospective growth in employment in various IWOSS industries in South Africa. The study's conclusions revealed that IWOSS sectors might be in a better position than non- IWOSS ones to hire South Africa's low-skilled jobless while also offering positions suitable for the more qualified workers. Watcher (2001) stated in their working paper that industries with high labour productivity growth rates also frequently have high labour-to-capital growth ratios. They said it makes sense to wonder how much variations in capital growth rates can account for variations in labour productivity growth among nations.

A different source of increased labour productivity is advancements in technology or overall efficiency gains. The study used a growth accounting approach

and a bi-based technological change analysis, presuming that a production function with constant returns to scale could reflect the production processes of economies and sectors. The investigation revealed several facts, including the variations in the growth rates of the service sectors that underpin the variations in the output growth rates of capital, employment, and labour productivity among nations.

Kapsos (2005) with their employment strategy article, they examined the employment intensity of growth: trends and macroeconomic factors. They said that economic indicators connected to employment, especially those that gauge an economy's capacity to create enough jobs for its citizens, frequently offer insightful information about the macroeconomic performance of an economy as a whole. Furthermore, they emphasize that the most accessible data in this regard is found in labour force participation, employment-to-population ratios, and unemployment rates. The elasticity of employment in relation to output, or employment intensity of growth, is another labour market indicator that, possibly because of its relatively obscure nomenclature, gets less attention. In their conclusion, they highlighted that it is risky to assume that favourable trends in employment intensity are a sign of strong macroeconomic success in a particular nation or area. Furthermore, they concluded that while it is important to get the employment side of the macroeconomic picture correct, other positive outcomes, like a reduction in poverty, do not always follow from success in this area.

According to the literature, Botswana creates fewer than expected jobs. According to some academics, Botswana's economic structure may be considered the main contributor to poverty and unemployment (Malema, 2012; Hillblom, 2008; Ajilore & Yinusa, 2011). This is due to the fact that though the mining sector is the main driver of Botswana economy thus contributing to its economic growth, it does not make it the primary employment creator of the country (Malema, 2012).

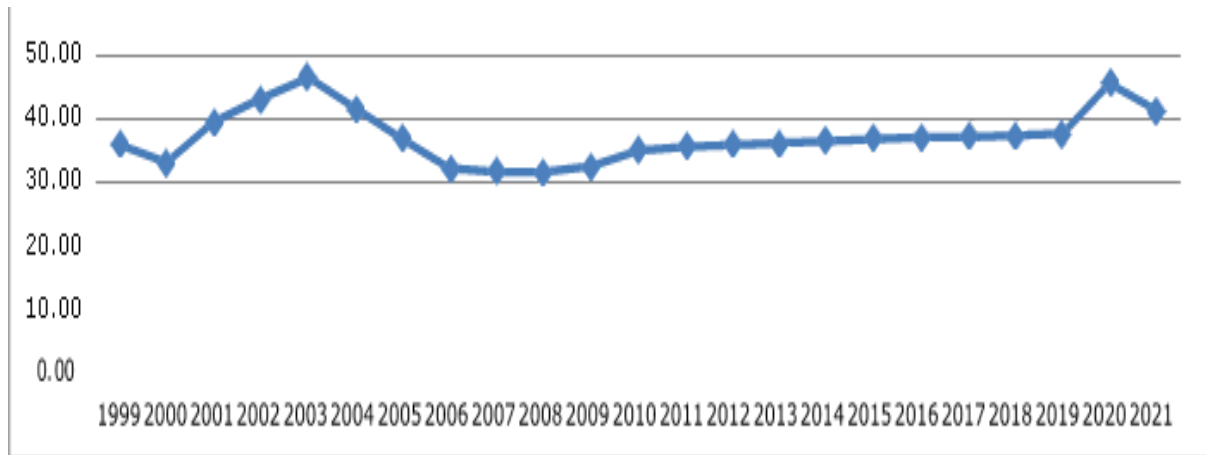
Same sentiments were echoed by Siphambe (2007) and Malema (2012) that Botswana's growth without employment is due to over reliance on the mining sector. According to them, to generate employment, investment in sectors with high employment elasticities is necessary. Yinusa (2011) examined the employment intensity of Botswana's sectoral output growth and estimated employment elasticity of production using two fundamental techniques. They determined the most practical way to measure the employment intensity of growth given by the employment elasticity with regard to output growth by applying basic mathematics and simple

arithmetic models. They found a flaw in basic two-point calculations that questioned the value of the elasticity acquired for forecasting, and they concluded that this methodology was extremely simple computationally. Since the installation of, for instance, a highly capital-intensive facility could significantly alter the factor intensity of an entire sector, the detected deviations from a base year tend to be magnified by the limited size of the industrial base. They stated that while a typical year for one industry would not be typical for another, issues are amplified when calculations are made for a collection of industries. They turned to using regression analysis, an econometric technique that postulates and estimates a functional relationship between output and employment. Therefore, it is concluded that when working with long and trustworthy time-series data, this approach becomes appropriate.

2.5 Current status of Youth Unemployment in Botswana

As of my recent update in 2023, the current status of youth unemployment in Botswana varies and it came into being due to influential factors such as economic conditions, the state of government policies, and the changes in demographic factors. However, it is notable that youth unemployment in Botswana has historically been a significant concern, with rates often exceeding the national average. Youth unemployment is increasing, and this is a major social challenge in Botswana, because as the level of youth unemployment keeps on growing so is poverty for the youth. Between 2022 and 2023, youth unemployment rate went up by 3.1 % from 37.9% to 41 % in 2022 and 2023 respectively. For females' unemployment rate stood at 38.1 % while 30.6 % was recorded for their males. Using a trend analysis, it is observed that youth unemployment has been showing a rising trend since 2008, with the highest unemployment rate recorded in 2020.

Figure 13-Youth Unemployment rates in Botswana (1999-2021).



Source: World Bank (2022).

This is associated with the economy failing to form enough jobs and/ not enough opportunities to absorb the youth. Due to Botswana showing a demographically youthful population, now the country's economy is under pressure to avail services such as health, housing and education. Most importantly, this youthful population is causing problems for the country as it is not in a position to provide employment for them.

2.6 Factors contributing to Youth Unemployment in Botswana

Over the years, causes and impacts of young unemployment have been discovered and analysed in international, regional, and local literature on the subject. Numerous underlying causes and consequences are shared by all across the world (Ajaegbu, 2012; ILO, 2013). According to neoclassical theorists, the following are deemed the factors that cause youth unemployment.

According to them, unskilled labour is the main concern: Youth unemployment in Botswana has been linked to educational levels, inadequate and lack of necessary skills, and a skills mismatch—that is, according to them there is no balance between availability of labour and the request for labour. These unfavourable variables are intertwined hence affect and influence young people's engagement in the labour market force. The lack of specific trained labour is a severe obstacle for Botswana, despite the country's government's best attempts and numerous efforts to provide youth employment (Keetile, 2012). Botswana currently relies on migrant employees to cover the skills gaps in numerous fields (CSO, 2011). This is surely contrary to the

reality as most of Botswana youth are highly educated. This is contradictory as statistics show that the youth of Botswana are quietly educated and are highly skilled. The other factor that relates to neoclassical theory is the absence of professional experience; Employers have been seen to favour hiring young people with work experience over those with little to no work experience because the former won't need expensive training as compared to the latter. The Grand Thornton International Business Report of 2015, which found that Botswana's biggest problems with regard to youth unemployment are a lack of work experience (77%) and the inability to obtain the necessary qualifications (71%), corroborated ILO observations of a similar study. These figures demonstrate that one of the main reasons for Botswana's high youth unemployment rate is a lack of skills to meet market demands. This sentiment can also be refuted as the youth of Botswana are given work experience in completion of their graduation, normally the youth join the workforce for a period of 2 years before the expectation for them to be absorbed into the labour market. All the above cannot be generalised as the causes of youth unemployment. There is more that can be studied to see what the real problem is as there could be other factors that cause youth unemployment in Botswana.

From literature, it has been found that youth unemployment in Botswana may be caused mainly by structural barriers. Gordhan (2011) has argued that many economies do not create enough jobs to match the supply from educational institutions. This is not the case with Botswana because despite a high percentage of educational attainment, the youth still remain unemployed. From the analysis done, the present study confirms researcher's assertion, as a majority of youth are unemployed due to limited job opportunities hence the main contributing factor of youth unemployment in Botswana is mainly to do with lack of diversifying the economy (Modiakgotla, 2015).

Another notable element is the increase in national unemployment rate; The GDP (economic growth) of Botswana is still high, but there aren't enough jobs to support the country's tiny (2.6 million) population. Over the years, the government has failed to diversify the economy to include labour-intensive non-mining industries like manufacturing, tourism, and agriculture, which may employ a large number of young people (Mannathoko, 2014). The problem simply is that Botswana's economy has, over the past three decades, grown phenomenally without marked improvements in equity and the diversification of the economy.

It is also observant that the country has high importation rates. Botswana imports almost everything from South Africa. Botswana's over dependence on the importation of South African goods and services had a negative impact or caused a token forestall on Botswana's own industrialisation.

2.7 Effects and impacts of Youth Unemployment

If the rate of youth unemployment is not looked into, social problems such as crime, insecurity, lawlessness, misuse of alcohol and substance abuse are inevitable. Youth unemployment affects the youth, the society, and communities in various ways. Youth unemployment can lead to severe negative impacts. The effects of not working can be demographic, social, economic and political. Though these sentiments do not correspond to critical approach, rather belong to orthodox mainstream perspective, it has been argued that youth unemployment leads to underutilization of human capital and skills, resulting in lower productivity levels in the economy. This lower productivity has a significant impact on the youth especially on issues of employment prospects and getting wages. This problem is mostly escalated during economic downturns as there will be fewer job openings, competitions for few available jobs is high and also the waiting period for the youth to get jobs is now worryingly longer. On the contrary, the critical approach emphasises that the productivity structure of the labour market plays a critical role in creating jobs hence the qualification of an individual nor the education system weighs less in availing employment opportunities for the youth.

Unemployed youth represent a loss of potential output and economic activity, which can hamper economic growth and development. According to Keynesian economic theory, youth unemployment has significant ramifications on overall economic activity, particularly in economies where the young people take the huge portion of what is considered an active productive working group. As young people remain unemployed, there is a reduction in aggregate demand, which is a critical driver of economic growth. Keynesian economics emphasizes that when a substantial portion of the population, such as the youth, is not engaged in productive work, their potential income and consumption are lost, leading to decreased overall spending in the economy. This reduction in spending can cause businesses to cut back on production and investment, further exacerbating unemployment and

producing a recurring problem of below average demand and stagnant economic growth.

In the context of Botswana, the high levels of youth unemployment impede the country's ability to achieve full employment and optimal economic performance. The Keynesian perspective suggests that proactive government intervention is essential to stimulate demand and address the issue of youth unemployment. This can be achieved through fiscal policies such as increased public spending on infrastructure projects, education, and training programs that can provide immediate employment opportunities for young people. Additionally, tax cuts and incentives for businesses to hire young workers can help boost employment and, consequently, aggregate demand.

By employing these Keynesian strategies, Botswana can activate the economic potential of its youth, thereby enhancing overall economic activity and fostering a more robust and resilient economy. This approach not only addresses the immediate issue of youth unemployment but also lays the foundation for sustainable long-term economic growth by integrating a significant segment of the population into productive economic activities. If youth are left unemployed then they automatically become economically dependent on their families or social welfare systems, placing additional strain on household budgets and government resources. If a lot of the youth are not economically employed this will force the government to intensify their social protection services, grants, and unemployment benefits. If not addressed this causes problems on the whole system of social assistance offered by the government as there has to be a change in measures such taxes, budgets, and other resources.

Moreover, youth unemployment exacerbates poverty and income inequality, particularly among marginalized groups, leading to social exclusion and disenfranchisement. For obvious reasons if an individual is not working, the youth are not an exception, this means lack of income which leads to vulnerability to poverty and issues of inequality. Furthermore, it has been observed that cases of social tension and conflicts are common where people are not working. For cases of long-term unemployment, this is a brooding environment for income inequality.

Furthermore, high levels of youth unemployment can undermine social cohesion and stability, leading to social tensions, crime, and unrest. It is evident that youth unemployment leads to frustration and loss of hope for individuals, eventually it

leads to ill habits such as behaviours of indulging in crime, drugs, or unfortunate means of survival such as prostitution. Unemployment can also have detrimental effects on the mental health and well-being of young people, leading to depression, anxiety, and feelings of hopelessness. It does not come as a surprise that youth facing the problem of unemployment are affected psychologically. Unemployment is linked to poor health, which may vary based on the national rate (Thern, 2017). Literature shows that youth unemployment worldwide is associated with increased risks of mental diagnosis and alcohol and or drug use disorders.

As articulated by neo-classical theorists, youth unemployment may be influenced by a mismatch between the skills possessed by young people and those demanded by the labour market. However, this issue must be understood within the broader context of economic dynamics and structure. The volume of aggregate employment is significantly shaped by the country's economic sectors, the types of companies that dominate, and the prevailing investment rates. While higher education levels can influence youth employment expectations and outcomes, the critical factor remains the overall economic environment. Structural economic factors, such as the nature of industrial development and investment in productive sectors, play a crucial role in determining employment opportunities. Youth with lower educational attainment are more likely to be employed in low-complexity jobs, but this is also a reflection of the broader economic conditions that limit the creation of high-skill jobs. As Bandara (2019) suggests, there is a significant job-skill mismatch, but this is symptomatic of deeper structural issues within the economy rather than solely a problem of individual educational attainment.

Demographically, if a lot of young people are not employed, they will be forced into youth migration. High youth unemployment can drive young people to seek opportunities abroad, leading to a brain drain and demographic imbalances in their home countries. This problem, which is particularly acute in many African countries, puts these nations in a difficult situation, with negative economic and demographic implications. As the political, social and economic situation deteriorates in most of these countries, young people often have no choice but to migrate abroad in search of better opportunities. This leads to a loss of talent, as Europe and other host countries offer strong economies and better job prospects. Initially, these industrialized countries recruited young people with specific skills, but more recently, even less- skilled people are migrating, attracted by lucrative job offers (El-Khawas,

2004). This is a crisis for countries of origin because they are losing the youth at a high concerning rate. From a Keynesian perspective, this situation is particularly worrying. According to this school of thought, youth unemployment could be alleviated by proactive government intervention. Keynes advocated expansionary fiscal policies such as increased public spending and tax cuts to stimulate domestic demand, thereby creating jobs and reducing unemployment. In addition, investment in infrastructure and vocational training programs could enhance young people's skills and prepare them for future jobs, thus reducing the need to migrate. Consequently, an effective Keynesian response to youth unemployment would involve not only measures to stimulate economic demand, but also initiatives to enhance young people's ability to participate fully in the national economy.

Moreover, being unemployed has a bearing on fertility choices made by couples. Unemployment among young adults may delay family formation and childbearing decisions, affecting demographic trends and population growth rates. In yesteryears the youth used to start childbearing earlier, but due to various economic hardships, the norm is reversed. High youth unemployment levels and rapidly increasing cost of living is preventing young adults setting up independent households and rather foster late home leaving instead. This has enormously affected the total fertility rate of countries as people now prefer delaying getting into marriage, choose having few babies and will rather stay home with parents rather than suffering due unavailability of jobs.

It has also been observed that youth unemployment affects and impacts on political stability of a country, leading to social unrest. Youth unemployment can fuel dissatisfaction with government policies and institutions, leading to social unrest, protests, and political instability. Despite Africa's positive growth economically over the last 10 years, this did not mean enough job creation nor equal chances for all. Soaring unemployment rates have had a particularly negative impact on the youth, making it hard for them to find jobs hence impossible for them to create a sustainable future for themselves. As a result, these challenges have prompted them to take to the streets in protest movements that challenge the status quo and oppose socioeconomic policies and governance practices that perpetuate poverty, increase social inequities, and deny them basic freedoms. According to Honwana, in his lecture in 2014 on Youth, waithood, and labour movements in Africa, he stated that, the youth emerge as social agents in uprising in most African states hence end up in

them being labelled as apathetic. Moreover, it is observed that due to unemployment youth may end up being disengaged in the country's politics. This causes doubt and loss of trust of the country's democratic governance. This problem of unemployment affects the youth interest on critical issues such as citizenship, political activism and most importantly their socio- economic position.

Being unemployed also has long-term economic consequences, such scarring effects, and lost opportunities of a lifetime. It is argued that prolonged periods of youth unemployment can have lasting scarring effects, reducing future earning potential, and hinders long-term career prospects. Furthermore, sadly unemployment during youth can lead to missed opportunities for skill development, career advancement, and social mobility, perpetuating cycles of poverty and inequality.

2.8 Policy Responses & Interventions

2.8.1 ILO conventions on Youth Unemployment

From the perspective of the ILO, often closer to the economic mainstream, evidence suggests that Sub-Saharan African economies are struggling to address the growing number of unemployed youths, owing to improved access to basic education and an influx of graduates into the labour market. Botswana is not immune to the rising youth unemployment rate. Despite continuous economic growth, the country faces youth unemployment issues.

Regardless of its flourishing economic status and adherence to the ILO's governing conventions in relation to the youth, Botswana is still struggling to provide full employment to the citizens. There are some fundamental eight ILO Conventions that are essential to protecting workers' rights at work. Because these rights give people the means to freely seek for the development of their individual and communal working conditions, they are a prerequisite for all other rights. In total, fifteen (15) Conventions, including all eight (8) Core Conventions, have been ratified by Botswana. A number of International Labour Standards (ILS) that are especially pertinent to young employment have been established by the International Labour Organization (ILO). These guidelines offer useful direction to nations seeking to enable the complete and fruitful integration of youth into the labour market.

Key ILO conventions and recommendations that support youth employment include the following:

At the top of the list is Convention 87 of 1948 which emphasises the importance of freedom of association and protection of the right to organize. Through this convention, everyone working, including young workers is given the freedom to associate, form and join trade unions and engage in issues of negotiating for their salaries.

Secondly, everyone is given the right to organize and engage in collective bargaining negotiations. This convention 98 of 1949 highlights the importance of collective bargaining for fair working conditions and the protection of workers' rights.

Thirdly, no one is supposed to be forced into labour. Through this convention 29 of 1930, issues of forced labour are addressed and prohibited, which is crucial for safeguarding young workers. To add more value to the above-mentioned convention, there is convention 105 of 1957 which further reinforces the commitment to eliminating all forms of forced labour, including those affecting young people.

Lastly the issue of exploitation of young workers is dealt with by convention 138 of 1973 which takes into regard the rightful age to be employed. Through this convention, there is a minimum age for admission to employment, ensuring that young workers are not exploited and receive proper protection. Important topics in these conventions include among others, age restrictions, working conditions, and anti-exploitation measures. Botswana pledge to respect these norms and encourage good employment possibilities for the youth by ratifying these international treaties.

2.8.2 Acts, Policies and Programs on Youth Unemployment in Botswana

In many years Botswana has pursued various active labour market policies to address youth unemployment (Ministry of Youth, Sports & Culture, 2010). Through the Revised National Youth Policy of 2010 and the National Action for the Youth the country has been working tirelessly to address this concern. The framework of this guide the country to make better opportunities for the youth in Botswana. This framework ensures that the youth are given a conducive platform to succeed in the workforce. Through this policy, the youth are capacitated, nurtured and financially enabled to effectively be part and parcel of the national development and add value to the society. Further, it also seeks to harness youth economic programmes and

activities thus encouraging development in Botswana (Ministry of Youth, Sports & Culture, 2010).

The Revised National youth Policy has been implemented through the Revised National Action Plan for Youth (RNAPFY) framework (UNFPA 2010). This framework provides the needed guidance to monitor youth programmes and ensures that the given timelines are abided to and also supervises agencies mandated to carry specific deliverables. To work in unity to achieve goals is promoted amongst all stakeholders such as intergovernmental agencies, Non-governmental Organisations (NGOs), youth organisations, the private sector and development partners. The core initiatives of this plan are aligned with the country's Vision, National Development Plans, Millennium Development Goals and other policy frameworks relevant to the (Ministry of Youth, Sports & Culture, 2010). Therefore, RNAPFY offers guidance and assurance of collaborative action to all relevant stakeholders. This plan is therefore important as it explicitly explains measures to be undertaken and moreover guides the plan of action so as to prioritise resources where mostly needed (UNFPA, 2010).

Emphasis is placed on tailor-made youth initiatives that are made to alleviate and address youth unemployment. They include among others: The Youth Development Fund (YDF), Tirelo Sechaba, Internship Programme, Young Farmers Fund and Government Voluntary Scheme. YDF is a program made for youths who are interested in starting businesses, therefore the fund provides for those who are starting and those who are already running businesses. Through it, the youth are encouraged to be actively participating on youth forums so that they can take charge of the status of the economy of the country. Lastly, it encourages mainly the unemployed youth to get into business and operate businesses that produce profits hence employment. It also helps reduce rural-urban migration by promoting rural investments (Ministry of Youth, Sports, and Culture, 2015).

While progress has been made in empowering the youth through the YDF initiative, challenges remain. For instance, there is no clear institutional infrastructure under the YDF program for engaging the beneficiaries and for monitoring their business performance. Furthermore, young people are highly versatile and may abandon their businesses at any time and thus, present great risk of loan defaults (ILO, 2011). Therefore, there is a need to strengthen the strategic partnerships between the private sector, financial institutions, and the government to ensure the success of the programme. Through Tirelo Sechaba, which is an initiative meant to

empower the youth, initiated mainly to cultivate the spirit of voluntary service provided by the youth and also promote patriotism and serving the country earnestly, the youth were hosted and given an opportunity to assist in the development of their communities. It also aims at giving the youth an opportunity to acquire work experience and to gain life-long skills. Participants who volunteered through this program were given a living allowance of 500 pula and 200 pula was saved for them, gaining interest. Unfortunately, a lot of participants in this program could leave anytime for better opportunities elsewhere. Other participants, especially those residing in rural areas are in most cases idle as no one supervises them.

Young Farmers Fund (YFF) was proposed by the government to increase youth participation and lure the youth into the agricultural sector and most importantly increase job opportunities for the youth. The YFF, targets citizens aged 18 to 40 years, and provides lower interest rates on start-up loans at a longer repayment duration than the regular commercial banks (United Nations Economic and Social Council, 2015). This helped encourage the youth to venture into agricultural businesses hence more job opportunities in the agricultural sector. The Young Farmers Fund has about 44 percent of loan applications processed requesting support for small stock, poultry, piggery and dairy, 24 percent of the application requesting support for cattle breeding, 30 percent of the applications seeking support for horticulture projects. The remaining two per cent of CEDA applicants requested funds for dry land farming and fodder production. The total approved funds for the Young Farmers Fund applications in 2009 was P76 million (CEDA, 2009). The main sectors that benefited from the Young Farmers' Fund by value were horticulture at 32 per cent, cattle breeding at 28 per cent and poultry production at 15 per cent. In spite of all these good initiatives, just like other programs, the YFF's have less success stories.

Through the Internship Programme which was formed in 2008 to provide unemployed inexperienced freshmen with an opportunity to gain valuable work experience in order to enhance their employability by breaking the cycle where fresh graduates are unable to get a job without experience. Some of the challenges of the National internship Programme are that it places greater emphasis on assessing the needs of interns without taking into account the needs of the employers. Furthermore, the program works more like a placement agency, with little attention on the interns' learning experience; it does not track interns' performance. Since its

inception in 2008 it has been reported that it has absorbed more than 10, 000 interns into other economic sectors. Although this has been ongoing for quite some time now, there are minimal positive results from the program in terms of the graduate interns being now employed on a permanent basis at the end of the 2-year duration of the program.

The Government Voluntary Scheme is for graduate (Degree holders) youth who are not working and are also not enrolled in the internship programme. This programme coordinates the effort to arrange, find and place young graduates into organisations to offer volunteer work. This saves the youth from idling and also offers them a place to gain work experience. Furthermore, the youth are encouraged to formally register their business through appropriate channels. Through this newly introduced initiative the youth are able to buy tender documents at half price and youth company registration is done within 14 days. Furthermore, through this initiative about 15 percent of government tenders have been reserved for the youth.

To date, the government has already allocated more than P1.7 million to youth businesses. As it is known, women face the wrath of unemployment more, so this program offers them a special dispensation, henceforth gender mainstreaming issues. The Revised National Action Plan for youth seeks to address this goal by ensuring that all programmes and projects, review policies, laws and customary practices are gender sensitive, inclusive and allows for diversity among the youth. One of the initiatives that the government has come up with, to benefit women groups but not limited to the youth, is the Women's Economic Empowerment (WEE) Programme. It provides them with financial capital to start their own income generation projects. Each group, consisting of 5 to 10 people (of whom the majority should be women) are given P250 000.00 capital to start their projects.

The reviewed WEE programme guidelines of 2015 have incorporated guideline 2 which states that "funding has been expanded to include young female graduates from ages 18-30". Under the new guidelines, funding for an individual is up to P100 000, two people may be funded up to P250 000, three people up to P300 000 and P500 000 funding for community projects, (Botswana Government 2015). The main reason for the inclusion of the youth in this programme was to encourage them to take advantage of this new initiative to start up their businesses to help diversify the economy and provide employment opportunities for other youth who are unemployed.

Even though this government initiative is meant for women, it accommodates men. This implies that women are not the sole beneficiaries of the programme, and this limits its impact on women. Therefore, the government needs to intensify its effort in having programmes targeting women especially those in the youthful age bracket. As their community's social responsibility, companies are also doing as much to support women. A good example, the Kgalagadi breweries Limited Kick-Start programme which offers mentorship and training to young entrepreneurs. Thus far, Kick-Start initiatives are successful and having a positive impact on the youth in entrepreneurial space (Botswana Government, 2014). Gender equality still remains a challenge. This is due to the fact that, the policy nor the framework itself address very little in terms of gender equality. Disparities still exist, which shows that there are fewer opportunities for young women as compared to young men.

The Government of Botswana always emphasises the importance of the role of the youth (15– 35 years) in contributing to national socio-economic development. Government has since developed programmes and strategies to improve their livelihoods and their communities. According to the Multi-Topic Survey report of 2023, the Youth population in Botswana constitutes 54.7% of the national labour force population. The total youth labour force stands at 486,706, which accounts for youth aged 15 – 35 years providing and ready to supply labour. Amongst the youth labour force there are 319,489 and 167,216, employed and unemployed youth respectively.

2.8.2.1 National Youth Policy

As mentioned earlier, the framework takes into consideration empowerment and development of the youth of Botswana. Its purpose is to direct all national initiatives related to the development and execution of youth programs. The policy places a strong emphasis on the value of youth involvement and attempts to address issues that impact youth, in political participation, gender development, and the use of both science and technological knowhow. Numerous youth empowerment initiatives have been put into place by the government, yet obstacles still stand in the way of their intended outcomes. The initial 2010 Youth Policy was recently reviewed bringing it into line with the current circumstances and realities of the nation.

2.8.2.2 Youth Programs and Initiatives in Botswana

Youth Development Fund (YDF): This fund helps the youth to launch and grow their businesses. It was first offered to prospective young entrepreneurs in the 2009–10 fiscal year and offers a combination of 50% grants and 50% loans. This fund is intended to help Botswana citizens between the ages of 18 and 35, as well as young people who are not enrolled in school, jobless, or underemployed and make less than P2,500 per month. The YDF promotes young people's involvement in profitable and sustainable projects that generate cash, hence lowering rural-urban migration and generating job opportunities.

National Internship Program: The National Internship Program provides opportunities for recent graduates to work and over sometime be experienced and get skills in various sectors of the economy. It offers internships in government ministries, private companies, and non-governmental organizations (NGOs) to enhance youth employability and assist them penetrate the already saturated world of work.

Youth Entrepreneurship Scheme (YES): The Youth Entrepreneurship Scheme is a government initiative that offers training, mentorship, and financial support to young entrepreneurs in Botswana. It aims to promote youth entrepreneurship and innovation as a means of creating employment and driving economic growth.

Youth Arts, Culture, and Creative Industries: Organizations and initiatives promoting arts, culture, and creative industries provide platforms for young artists, musicians, designers, and performers to showcase their talents, develop their skills, and access markets for their products and services.

Youth Employment Program (YEP): The Youth Employment Program aims to create job opportunities for young people through initiatives such as public works projects, skills training programs, and job placement services, collaborating with government entities, private sector businesses, and organizations formed to operate to help without pay to implement targeted interventions to reduce youth unemployment.

The Technical and Vocational Education and Training (TVET): Botswana has invested and expanded technical and vocational education in a way to give the youth practical techniques and qualifications necessary for employment in various sectors. VET institutions offer courses and apprenticeships in fields such as engineering, agriculture, tourism, and ICT to prepare young people for the workforce.

Youth Outreach Programs: The government organizes youth outreach programs and campaigns to raise awareness about youth employment issues, promote entrepreneurship, and provide information about available opportunities and support services. These programs aim to engage young people directly and encourage their participation in initiatives aimed at addressing youth unemployment and fostering economic empowerment.

CHAPTER 3

3.1 CONTEXTUAL ANALYSIS OF YOUTH UNEMPLOYMENT

Youth unemployment in Botswana presents a significant socio-economic challenge, with young people facing higher unemployment rates compared to older age groups (O'Higgins, 2003). Several factors contribute to this issue, including economic fluctuations, structural barriers, and the overall economic environment. The nature of the country's economic sectors and the rate of investment play crucial roles in shaping employment opportunities for the youth. Diverse reasons, access to resources, and socio-economic background, influence the likelihood of young people becoming employed or remaining unemployed.

In previous studies, research has indicated that the impact and aftermath of unemployment vary across individuals based on many factors, such as age and gender. It has been found that women are more affected than men in this regard, as seen by the significantly higher ratio of women to men (Bjorklund et al., 2015). These are findings made from a study done in Finland. Similar sentiments were echoed by Okojie (2013) where he lamented that, in the African context, women and the youth are harshly affected by unemployment as compared to their male counterparts. This situation is furthermore exacerbated by other numerous factors such as poverty, drought, HIV and AIDS.

In their paper, Diraditsile and Rankopo (2017), confirms that indeed women and the youth are mostly affected by youth unemployment. Therefore, there is a need for job creation opportunities particularly for these vulnerable groups. In many contexts, including Botswana, female youth tend to experience higher unemployment rates than their male counterparts (O'Higgins, 2012). According to a United Nations report (2012), young women often face additional barriers in the labour market, resulting in lower employment rates compared to young men. These gender disparities are an important aspect of the broader youth unemployment issue, reflecting deeper structural inequalities within the economy.

In a study done in Mahalapye, Botswana, it was found out that unemployment was more prevalent in women than in men. The finding is in harmony with the above remarks from the UN report of 2012, that there are lower employment rates in women as compared to men. Understanding the dynamics of unemployment is essential for

developing comprehensive strategies to address youth unemployment and promote inclusive economic growth in Botswana. Looking at the trend analysis and pattern of youth unemployment and comparison analysis, it is clear that the rate is higher for women and significantly lower for men.

Table 4-Youth Unemployment According to Gender.

Unemployment rate (%) by Gender			
Years		Men	Women
	2010	34.8	42.2
	2011	34.9	41.5
	2012	34.3	40
	2013	34.4	39.4
	2014	34.6	38.8
	2015	35	38.4
	2016	35.4	37.8
	2017	35.5	37
	2018	35	35.6
	2019	35.3	34.9
	2020	41.5	44.2
	2021	44.5	50.7
	2022	43.5	50.8
	2023	43.6	49.7

Source: World Bank (2023).

This demonstrates unequivocally that women experience unemployment to a higher degree than do men. Women are working hard to try and find space in the place of work, but due to not enough opportunities, they end up not getting any due to competition amongst themselves and between them and men.

Similar studies were done in Tanzania (Msigwa, 2003), South Africa (Mlatsheni & Rospabe (2002), and Germany (Isengard (2003). All these studies validated the idea that gender is a factor in unemployment. Therefore, it is demographically ascertained that gender is one fundamental determinant of unemployment.

Furthermore, it has been found that urban areas recorded high rates of youth unemployment in comparison to rural areas which recorded lesser rates. The cities are overly populated with minimal opportunities to be absorbed by the labour market. This is compared to the rural areas whereby the agricultural sector offers better chances of being employed. In urban areas, the youth face a number of constraining factors especially in formal employment.

Though appreciating the fact that Africa is made up of more than 50 countries with different political situations, social and economic circumstances, there is a general common aspect when it comes to youth in Africa. African countries have a youthful population. Africa's youth population is experiencing a demographic explosion, with an annual population growth rate of approximately 3% (AfDB, 2010). This phenomenon known as 'Youth Bulge' has socio-economic consequences. Youth bulge is the main concern of many governments especially post covid crisis and the economic financial crises. This demographic force is exacerbating youth unemployment over time. Therefore, it is advisable for countries to be intentional in promoting employment activation and encourage youth to join and participate in labour programs designed for them. (Cummins, 2012).

It has been found that youth unemployment in Botswana is largely structural in nature. Failure for Botswana to create employment opportunities in both the public and private sector has been a key challenge. For many decades the formal sector has been the one creating jobs for its citizens, which to date has never been enough. Despite the economic prosperity, youth unemployment remained stubbornly high since the country is self-reliant mostly on the diamond industry with little or minimal attempts to diversify the economy. With this crisis at hand, the youth is facing various socio-economic implications. In Botswana context, it has been found out that youth unemployment may cause economic problems directly to the youth, their families and the community in large. Unemployment has economic implications, including reduced well-being, lower output, and loss of skills. Unemployment can also have social impact such as loss of status and respect, worsening in family life, and increased cynicism, thereby contributing to the link between unemployment and crime. In a study done in Mahalapye, by Diraditsile, titled Unemployed Young Women in Mahalapye, it has been found that there is an association between unemployment and criminal activities. According to this study, unemployment significantly increases criminal activity level. This therefore confirms the findings from a study conducted by

Dorling (2009) which indicates that youth unemployment creates socio-political and economic problems within societies. Amongst them, criminal activity. The findings from this study also showed that, there is indulgence in alcohol and drug abuse by women who are not employed.

Focusing on policy intervention and implementation, it has been found that, youth unemployment has also been associated with poorly implemented and or monitoring of youth policy, interventions, and programs. According to Lesetedi (2018), it is stated that despite well-intended laws and programs by the government of Botswana, youth unemployment continues to increase. Hence one may wonder whether rising unemployment is a result of poor youth policy formulation and implementation, or a failure in research that informs policy formulation, implementation, and monitoring (Lesetedi, 2018).

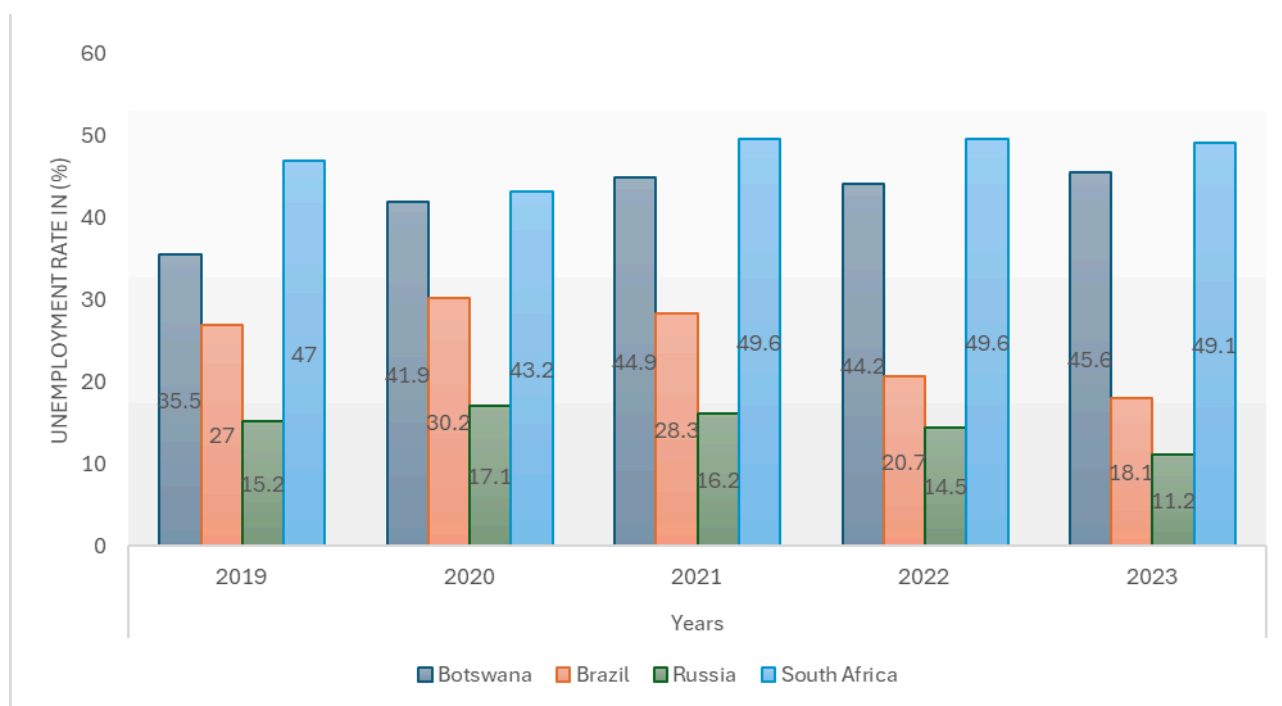
In conclusion, the problem of youth employment in Botswana is not merely an economic problem but a multifaceted crisis with severe demographic, social, and political implications. Structural barriers within the economy, such as inadequate job creation and insufficient investment in productive sectors, significantly hinder the employment prospects of young people. These barriers are exacerbated by economic dynamics that fail to support sustainable growth and equitable development.

3.2 UNDERSTANDING YOUTH UNEMPLOYMENT IN SUB SAHARAN REGION

Amongst the biggest problems in African countries is youth lack of employment. It is therefore to everyone's knowledge that governments in Sub-Saharan countries are persistently battling youth unemployment, as well as bilateral and multilateral organizations operating there, is persistent and widespread unemployment, particularly among youth. Even if there has been quite satisfying development over the last ten years, poverty has persisted, and income gaps have grown. The youth must labour in order to make ends meet due to extreme poverty; this includes taking on low-paying or precarious jobs. Therefore, the actual level of unemployment—which takes into account both underemployment and concealed unemployment—is significantly higher than what the UN or ILO's statistics are showing.

In comparison with some other African states, youth unemployment in Botswana is significantly high, standing at 45.6 percent in 2023 with the exception of South Africa which stands at 49.1 percent in 2023.

Figure 14-Youth Unemployment trend for Botswana, Brazil, South Africa & Russia 2019-2023.



Source: World Bank (2023).

The chart above provided data on youth unemployment rates for the years 2019 to 2023 in four different countries: Botswana, Brazil, Russia, and South Africa. A brief analysis of the trends in youth unemployment rates for each country based on the provided data showed that: Botswana: In 2019, the youth unemployment rate in Botswana was 35.5%, which increased to 41.9% in 2020. There was a further increase to 44.9% in 2021, followed by a slight decrease to 44.2% in 2022. However, the youth unemployment rate rose again to 45.6% in 2023, indicating a fluctuating trend with an overall upward trajectory. Brazil: Had a youth unemployment rate of 27% in 2019, which increased to 30.2% in 2020. There was a slight decrease to 28.3% in 2021, followed by a significant drop to 20.7% in 2022. The trend continued to improve in 2023, with the youth unemployment rate further decreasing to 18.1%, showing a positive downward trend over the years.

Russia: The youth unemployment rate in Russia was 15.2% in 2019, which increased to 17.1% in 2020. There was a slight decrease to 16.2% in 2021, followed by a more significant drop to 14.5% in 2022. The trend continued to improve in 2023, with the youth unemployment rate further decreasing to 11.2%, indicating a consistent downward trend over the years.

South Africa: Had a high youth unemployment rate of 47% in 2019, which decreased to 43.2% in 2020. However, there was an increase to 49.6% in both 2021 and 2022, showing a stagnant trend. In 2023, the youth unemployment rate slightly decreased to 49.1%, indicating a fluctuating trend with overall high rates. Overall, the data highlights varying trends in youth unemployment rates across the four countries, with some experiencing fluctuations and others showing consistent improvements or challenges. Therefore, it is important for program drivers and relevant players to analyse these trends to implement targeted interventions and policies to address youth unemployment effectively.

In a different study done in Ethiopia, Ghana, Kenya and South Africa in order to understand the issue of youth unemployment in the Sub Saharan region. It has been found out that the problem of youth unemployment in Sub Saharan Africa has to do with low productivity and low employability (Hiroyuki, 2014). Therefore, in an effort to address this problem, a comprehensive strategy should be adopted to incorporate macroeconomic strategies; to increase productivity and promote decent work initiatives, public health initiatives, sanitation and conventional labour market policies will offer sustainable solutions. As much as African youth make up the largest percentage of the national population, it is worrisome that most young Africans are not gainfully employed. The consequences of this problem may in the near future cause social unrest and even lead to violence.

Africa's population is predominantly young, hence youthful with high fertility rates. Therefore, in demographic terms the population is projected to grow profusely in the near future. Due to unavailability of job opportunities, almost all young women and men work in low paying jobs with precarious conditions. Majority of them work for long hours, receive minimal payments and they have no better option. With these conditions, African youth are therefore caught in a poverty trap. This subsequently leads to other problems in the society such as violence, delinquency and crime. Therefore, it is imperative that African governments pursue policies and programs that: significantly improve young Africans' human capital and therefore productivity,

especially those from disadvantaged backgrounds, such as women, people living in rural communities. Also, increase chances for the youth to gainful employment by boosting the economy's competitive landscape and industrial production, and diversifying the economy by investing in other sectors such as agriculture and informal sector.

From the OECD report of 2012, it is highlighted that Africa as a continent is experiencing youth bulge. This will bring in either bad or good results, depending on how the situation is handled. This demographic aftermath can bring either a positive opportunity for economic and social development or the problem of social unity and stable political peace. Therefore focus must be on youth unemployment as it has been observed over years that African youth unemployment rates usually are double the rates for national unemployment rates.

It is also observed that the case of youth employment is primarily a quality issue in low-income nations and a quantity issue in middle-income nations. Many of the jobs available in developing countries are of poor quality. This is where most young workers are saturated. With the few attempts to expand the state-owned businesses, the private sector must also play a role in creating jobs especially in industry 4.0, furthermore informal sectors and rural investment such as hubs must be explored to create more jobs.

It has been found that, the causes of youth unemployment have been associated to mainstream economics such as insufficient labour demand, inadequate skills, lack of knowledge about where to find a job, insufficient education, skills mismatch, demand– supply matching, labour market regulation, and attitudes of young people, amongst others which may not be the real cause of youth unemployment. Youth unemployment may be due to some structural barriers and the problem of the economy failing to diversify and adapt to new technologies to create jobs.

Another important point highlighted by Ranis and Gollin (2014), is that exploring macroeconomic perspectives when dealing with youth unemployment is fundamental. Traditionally countries from the periphery have been conditioned to believe that problems of unemployment are mainly caused by individual factors and educational qualifications. But on the contrary, through their case study, they emphasized that focus should be on structural unemployment rather than classical reasoning because in Sub-Saharan Africa there are more issues of structure than

issues of supply against the demand. They argued that unemployment is caused by the way the labour market is structured in this region. Through these lessons from advanced countries such as Asia and South America, Rains and Gollin proposed that similar if not the same interventions must be applied and customized to African context, because strong growth should be the cornerstone of long-term employment policy since it is essential to lowering unemployment and increasing earnings. Amongst other, they suggested providing a conducive environment for harnessing entrepreneurship, promoting diversification of the economy and initiating infrastructure projects which will create jobs for the youth especially in industry 4.0 sector. They also urged the governments to support rural home businesses by implementing microfinance initiatives, creating targeted programs that help informal businesses grow and become effective, and boosting the creative power as an urban informal sector.

Furthermore, it is argued that technological advancements enable emerging and low-income countries such as Botswana to establish jobs in high-skilled industrial industries and connect to global value chains in services and manufacturing. One imperative point worth highlighting is that, in South Africa, when addressing the issue of youth unemployment, they emphasized the efficacy of their current active labour-market strategies. This brings into picture the influence of trade unions in helping to come with solutions to youth unemployment. From the perspective of trade unions, there are 3 main questions to be answered, firstly, are there enough jobs for the youth? Secondly, are the jobs of sufficient quality in terms of earnings, skills development and recognition of workers' rights? Lastly, are the changes brought by technology such as digitalisation affecting the dynamics of labour for the youth? To address these questions, unions must have effective policies and strategies in place. Therefore, trade unions advocate for and emphasize the importance of income and social insurance for their members, youth inclusive.

From a Keynesian perspective, it is clear that addressing youth unemployment requires proactive measures to stimulate demand and create jobs through strategic public investment and economic planning. This approach contrasts sharply with neo-classical theories that overly emphasize individual skills and market self-regulation. The reality in Botswana demonstrates that without addressing the structural deficiencies and investing in sectors that drive job creation, the problem of youth unemployment will persist, deepening socio-economic disparities and undermining

long-term development goals. Thus, to mitigate the detrimental impacts of youth unemployment, it is imperative to adopt a holistic strategy that integrates macroeconomic policies aimed at boosting employment, alongside targeted interventions that address specific barriers faced by the youth. This comprehensive approach is essential for fostering an inclusive and resilient economy that provides meaningful opportunities for all young people in Botswana. For instance, promoting businesses operated by the government or state. These businesses are well known for playing a significant role in developing the economy of its countries across the globe. Using a typical example of Petrobras in Brazil, this state-owned oil and gas company contributes to both the sectoral and national economic development. Through the coordination of the Brazilian government, national investments were made to build infrastructures and essential industries to cultivate the economy for the benefit of the masses. The same approach may be emulated in the context of Botswana, where state-owned enterprises are promoted because there is assurance that Botswana will benefit by getting sustainable jobs and will have a major influence on productivity and competitiveness especially on sectors such as transport, telecommunications, energy and financial services.

CHAPTER 4

4. STRATEGIES FOR ECONOMIC DEVELOPMENT AND JOB CREATION: A HOLISTIC ASSESSMENT

In pursuit of economic development, Botswana, like any other nation, often emphasizes foreign direct investment (FDI) as a primary avenue. However, a critical consideration, particularly for a peripheral country, lies in the exploration of alternative strategies that prioritize the utilization of national resources for development projects. Rather than solely relying on FDI, which may impose certain conditions and prioritize external interests, there is merit in fostering the growth of domestic enterprises and sectors. This approach involves developing initiatives that leverage national resources, whether through direct state intervention or through incentivizing private capital to invest in sectors that enhance the country's productive capacity. By focusing on the development of national companies and industries, Botswana can not only reduce dependency on external investment but also ensure greater economic sovereignty and promote conditions that benefit local communities and workers. It is imperative to reconsider the balance between attracting foreign investment and nurturing indigenous economic growth to create sustainable and inclusive development pathways.

According to The Journal of Global Business and Technology (2023), investment policies should be more transparent in order to address all investors equally, regardless of whether they are private, foreign, or local. These address the relationships between GDP, consumption, savings, and investments - the relationships between the requirements of capital investment and the budget - the relationship between imports and exports, unemployment, and investment. In this study done in Kosovo, Russia, they continue to face problems in attracting FDI. This is a similar problem faced by Botswana. Despite the fact that over the year's progress has been made in several factors such as tax and macroeconomic policy reforms, and investments in road infrastructure, both countries continue to not attract investment from large investors (Democracy for Development, 2021).

In this journal, it is stated that, the current situation of economic development related to FDI creates the need for the completion of economic policy measures, legal infrastructure, and institutional environment to create a more attractive

environment for FDI. However, within this increase, there are still many large disparities that can make it difficult to maintain the sustainability of economic growth and macroeconomic stability.

Furthermore, they emphasized that political and macroeconomic stability play an essential role in the decision regarding FDI, therefore the lack of political and economic stability makes a country very unattractive for FDI, even though it may offer other advantages (Schneider & Frey, 1985).

Therefore, Kara and Kaynak (2005) stated that, institutional reforms, must be emplaced to fight against corruption and informality, the lack of a more efficient macroeconomic management in Kosovo has led to the fact that we do not have a proper performance for FDI as well as having a negative export balance. Same sentiments apply to Botswana's case. From the regional point of view, Botswana should benefit from its central position in the region, by attracting investment from the regional market and beyond. Through the Journal of Business and Technology (2023), the quality of institutions is a favourable determinant of foreign investors, especially in less developed countries. It is stated that this happens for several reasons. First, good governance is associated with economic growth, which attracts FDI inflows. Second, poor institutions tend to be easily corruptible, thereby increasing investment costs and reducing profits. Third, the high start-up cost of FDI makes investors very sensitive to uncertainties, including uncertainties stemming from fragile institutions (GBATA, 2023).

Moreover, there has to be an intentional purpose to nationalise the industries: It is argued that as a developing nation, Botswana is obligated to generate employment opportunities for its citizens. It is advised that Botswana develop coordinated youth employment strategies that leverage its comparative advantages over economies with larger populations. The country should take intentional actions to address the employability challenges faced by its youthful population.

In their article, Mogomotsi and Madigele (2017) suggested that there should be a legal reform in the country's immigration and labour laws to make it compulsory for the employers to seek employ locals before average qualified foreign nationals can be employed. Furthermore, they pointed out that the country has to have formal institutions mandated to strike a balance between promoting flexibility within a strictly regulated economy and protecting the national within the labour market. Economic restructuring to address such issues as critical levels of youth unemployment

necessitates state interventionism in social policy (Madigele, 2017). They further lamented that, notwithstanding the importance of importing labour and skills, the government should resort to importing skills only if the unemployed pool does not possess such skills. Preference should be given to the nationals in order to address the challenges of unemployment. Such practice will constitute strategic nationalisation of jobs. A report by the International Labour Organisation hereinafter (ILO, 2012) states that Botswana is one of the countries with the worst indicators for youth employment interventions in Southern Africa. There is a need, therefore, for the country to design and develop new youth employment intervention strategies (ILO, 2012).

From a Keynesian perspective, addressing growing unemployment in Botswana involves considering movement of people between countries in search of jobs as well as selling of goods and services between countries as a feasible solution to the problem at hand. Rather than solely relying on human capital development within the country, it is imperative to leverage Botswana's competitive edge: its highly skilled young population. This involves engaging both the public and the youth specifically in seeking employment opportunities outside of Botswana. It is for this reason, that the custodians and implementers of the economy of the country must actively promote exportation of human capital across regions or countries facing shortages of trained and educated personnel. Such initiatives not only capitalize on Botswana's valuable intangible asset—its skilled workforce—but also contribute to global workforce mobility and the equitable distribution of talent.

Furthermore, to align with the realities of a globalized world, the education curriculum should be redesigned to cultivate open-mindedness among graduates. They should be encouraged to perceive themselves as integral parts of the global community, ready to seize opportunities wherever they may arise. Specifically, emphasis should be placed on preparing graduates to contribute to the labour markets of other African countries experiencing a shortage of skilled manpower. By fostering a global mindset and facilitating cross-border labour mobility, Botswana can better address its unemployment challenges within the broader context of regional and international economic dynamics. The considerable differences in income across countries allows individuals and households to escape from poverty through international migration (Gibson, McKenzie, & Stillman, 2011). Human mobility benefits not only migrants and their families, but their countries of origin and

destination as well (Sutherland, 2013). The flow of foreign currency to remittance-receiving countries helps support the balance of payments. This makes it easier for countries to pay for critical imports, gain access to capital markets and pay lower interest rates on sovereign debt. Exporting young labour will benefit them as individuals, their families, and the national economy. Further, Golub and Hayat (2014) have interestingly suggested that developing countries, such as Botswana, can leverage on globalisation and/or international trade to generate rapid growth not experienced before in the continent using lessons learnt from the Asian developmental states by engaging in labour intensive export. Botswana, as a country in desperate need to diversify from its mono-commodity based economy, should be open to embrace any sustainable options to mining which can help address unemployment and bring income for the economy in the process.

The impact of COVID 19 crisis cannot be ignored. The limitations of Botswana's public investment and diamond-reliant growth model were made apparent during the COVID- 19 crisis. Despite strong fiscal buffers, the crisis brought to the front both the high risk of continuing to rely on public investment to drive growth in the context of future fiscal vulnerabilities as well as the vulnerability of growth to declining external balances, mainly owing to lack of export diversification. The pandemic amplified those challenges and caused a sharp GDP contraction among the strongest in Sub-Saharan Africa, a widening in the current account deficit, and the biggest jump in the unemployment rate over the past 35 years (IFC-World Bank Group, 2022).

The current context provides Botswana with an opportunity for a paradigm shift—to redirect the economy to a more resilient, green, and diversified growth model. The gradual sunset of diamonds, volatile global conditions due to the COVID-19 pandemic, and the impending effects of climate change have placed the Botswana economy at a crossroads. This CPSD argues for a new strategy that puts the foundations for a greener and more sustainable growth model at its core, making diversification an outcome rather than a starting point. This strategy would focus on leveraging and protecting Botswana's natural resource endowments and driving new investment in high-potential sectors such as tourism (though it is seasonal and relies on clients from outside the country) to lay the groundwork for green competitiveness and growth. Meeting these goals would start with policies that tackle underlying and cross-cutting constraints, especially those that foster competition in sectors

dominated by state-owned enterprises (SOEs) and harness private sector participation to foster transitions to sustainability, efficiency, and affordability of key enabling sectors such as energy and water. Furthermore, state-owned enterprises should be promoted as they will create decent work for the citizens, with minimal profits made. The country must invest in strategic sectors such as infrastructure, health care, sanitation and rare earth research just to mention a few. Surely these sectors will help in job creation for the youth but also provide social protection services for the people. The government should increase its presence and influence in sectors that are commercial, thereby creating markets with less competitive neutrality. This will create markets for entrepreneurs and SMEs to address, private firms to grow, and foreign investors to participate in. These actions would be buttressed with policies to facilitate trade in environmental goods and services and reduce gaps in infrastructure, skills, and access to finance that hinder employment and productivity growth in firms (IFC-World Bank Group, 2022).

Since unemployment and poverty remain high, it is necessary to accelerate poverty reduction which requires bold decisions that encourage further progress on diversification and digitalization reforms, with greater private sector job creation, higher value-added agricultural production, and services. The development of modern services is necessary for a strategy that aims at diversification and an economic paradigm driven by knowledge and innovation. Services such as finance (e.g., fintech), insurance, logistics, communications, and education are important and linked to the rapid development of competitive manufacturing firms. In addition, the government can contribute to the modernization of public administration services. Indeed, it can introduce service innovations through the provision of new and improved services but also service delivery innovation (i.e., with the introduction of a new or different method of service delivery with IT solutions, for instance, the e-governance) and also administrative or organizational innovations that facilitate access to services. The IMF(2022) also suggests orienting diversification toward manufacturing, tourism, and financial services (facilitated by fintech), in line with the "2036 Vision." Furthermore, International Finance Corporation (2022) points out that Botswana's economy requires accelerated transformation efforts to achieve a diversified and export-led economy, stimulate innovation, and favour foreign private investments. In its report, the International Financial Corporation (2022) suggests that the government of Botswana should prioritize state control in sectors dominated

by state sector-owned enterprises and limit private sector participation. This approach aims to ensure stability, equity, and affordability in key enabling sectors such as energy and water, aligning with Keynesian principles of government intervention and regulation to promote economic stability and social welfare. As for the electrical infrastructure, they are still insufficient in relation to the country's needs. Available systems operate at a capacity far below their potential. The country imports the bulk of its power from South Africa. Yet, Botswana has a huge potential for solar energy utilization, which needs to be strengthened.

Indeed, infrastructure (i.e., roads, railways, water, and energy) constitutes a necessary condition for favouring industrialization, diversifying the economy, and achieving sustainable development and inclusive growth since infrastructure development helps to increase productivity and improve competitiveness. In the case of the roads, according to Statistics Botswana (2020), in 2020 the total road network in Botswana measured 32,562.8 km, and only 31.9% are made of bitumen. The rest are either gravel or earth and sand. In addition, the length of the roads (km) is maintained by the central government, and this length has not changed in the period 2016–2020. So, there hasn't been an increase in road infrastructure. Furthermore, Botswana faces a major challenge with water infrastructure, which is still limited. In the country, there is both a lack of water infrastructure and the problem of efficient utilization of its scarce water resources to support the process of the economy's diversification and the eradication of poverty.

Furthermore, the country should develop industries and activities in advanced technological sectors. For this to happen, it is necessary to improve the quality of the human capital available and to create jobs in new innovative companies that adopt advanced and digital technologies. For example, Industry 4.0, which uses the Internet of Things and other digital technologies such as 3D printing, or advanced and science-based industrial sectors such as industrial biotechnology, and digital services such as fintech and e-commerce.

Moreover, Botswana needs to move upstream in the industry value chain. In his paper Kaplinsky (2016) stated that effective insertion into global export markets offers the potential for sustainable income growth. It has been observed that the emergence of global value chains – whereby goods that used to be produced within one country are now fragmented and distributed across global networks of production – has offered developing countries new opportunities to integrate into the global

economy. This has also had fundamental impacts for workers in developing countries, Botswana included. GVCs had a significant impact on jobs and income in GVC sectors and firms. Integration can have additional benefits for the wider economy as most jobs are generated through upstream domestic supply chains. GVCs have expanded to agricultural and services sectors, as well as higher technology and more knowledge intensive manufacturing industries. This will benefit Botswana as the agricultural sector has the biggest share of the land in the country. Agriculture in Botswana can be practiced in both village settings and city incubation hubs, where in villages, cattle posts and settlements livestock rearing is most common, feasible and sustainable, whereas poultry production is more common in urban areas. It is worth noting that the primary policy objective of GVC is supporting better jobs and higher wages (WTO, 2019). There is a positive association between output growth and employment growth within GVC sectors, which increased overall welfare as workers moved out of agriculture or the informal sector toward better paying, higher value-added jobs.

Further GVCs make use of industry 4.0-this is whereby modern technologies are used to plan, produce, distribute, consume and reverse logistics in supply management. Through Industry 4.0 and digital technologies, there are huge benefits such as inclusive patterns of growth, innovation and entrepreneurial opportunities. If Botswana takes a firm stand on exploring GVCs for the benefit of its people especially the youth, then this can create employment in the future.

It has been well known that Botswana exports its raw materials being diamond and beef abroad to the European market and the world in general, but through GVCs it is argued that instead of following the traditional norm Botswana must instead import less and manoeuvre towards having industries to manufacture finished products and services. This will create employment for its people as more people will be needed to work in the beef and mining industries. The same concept has been previously utilised by Asian powerhouses in Japan, China, the Republic of Korea and Chinese Taipei yielding positive results in terms of job creation during the early 90s (WTO 2019). The nature and structure of the world economy has changed due to the influence of GVCs; therefore, it is imperative for Botswana to strategically place itself in this network and have associations with developed countries such as Japan, Germany, Japan, the US and recently Brazil and Russia. This will help the country to benefit from these associations because economic openness, increased trade and

investment, further integration in GVCs, and the diffusion of technology create greater wealth and opportunities. This will directly address the problem of unemployment.

Evidenced in their study for 5 countries, USA, Germany, Japan, India and China, Meng, Xiao, and Ye (2018) noted that increased participation in GVCs is associated with employment increases (WTO, 2019). Another notable positive to ride on in GVCs is the opportunity for training assistance and education programmes. These have become increasingly important in adjustment policies compared to employment subsidies or job search assistance, as they help displaced workers to better respond to the changing demand for skills. Effective training assistance and education policies promote skills that are relevant for multiple industries, increasing workers' flexibility and resilience in an unpredictable job market (Baldwin, 2016). An innovative and forward-looking spirit must be the attitude that must drive the development and diversification of Botswana. Entrepreneurship is essential to boost new ventures and create new opportunities in the private sector. Entrepreneurship is an increasingly fundamental aptitude in today's world and especially in the future for leading players in the digital century and its businesses, on par with data analysis or critical thinking skills. So, entrepreneurship must be encouraged. However, very often, there are several barriers to starting businesses, of which the most frequent are too much bureaucracy and the availability of funding. In boosting entrepreneurship, the role of modern universities is also important. Universities must work in the direction of developing and cultivating student entrepreneurial spirit by challenging them to overcome their limitations and always seek out innovative solutions.

To create a more diversified economy, it is necessary to compete in the global markets. For this to be possible, it is necessary to become a more skill-intensive and diversified innovation and knowledge-oriented economy. It is imperative to invest in productive sectors capable of fostering real long-term growth and facilitating the development of new knowledge and technologies. This necessitates the establishment of a business- friendly regulatory environment and the promotion of export-oriented companies. Moreover, to ensure the viability and sustainability of these endeavours, it is crucial for the government to provide support through low-cost financing lines maintained by the State. This strategic approach not only encourages economic expansion but also enhances the competitiveness of the nation in the

global market (Schiliro, 2022). This is important, including supported by low-cost financing lines maintained by the State. As a country partially using a social democratic model of social policy, Botswana has made significant strides in democratic governance and economic management as it is implementing policies and initiatives that are concerned about state welfare. According to Skocpol (1986), it is stated that, the social democratic model, traditionally designated social policies-such as social insurance programs, welfare transfers, public housing, education, and health services-are to be closely coordinated with such economic policies as industrial regulations enforcing minimum wages, unionization, and workplace safety, and also coordinated with Keynesian-style macroeconomic management aimed at ensuring a full employment economy favourable to labour's bargaining power (Skocpol, 1986). The rightful implementation of the social policies can have a positive influence on the economy of the country. Therefore, it can be argued that state economic development policies significantly affect the growth of a country as it increases in the growth of a local economy can benefit its unemployed, and that state and local economic development policies can benefit the overall national economy. For instance, if Botswana is to adopt a housing policy as an initiative to provide public housing for its citizens at subsidised prices, not only will the youth benefit from getting those houses but it will also create employment for them.

Finally, another important aspect is that Botswana needs more international cooperation in the form of knowledge sharing with advanced Western economies. In order to enhance industrial activities, especially in the hi-tech sectors, investments are needed in research and development in the use of emerging technologies but also in factories and inventory and warehouse management. Such investments will certainly pay off for Botswana's economy. One notable international cooperation is the relationship between Botswana and China. Unlike Britain, Chinese came to Botswana and brought a positive impact to Botswana. Since 2006 relations between Botswana and China have intensified and within Botswana they have taken on greater significance in national life. The significant growth in economic activity by Chinese state-owned and private companies in Botswana since 2006 has meant that this area has been the most visible aspect of Botswana-China relations in national life. Chinese companies have operated primarily in the construction industry, textile, manufacturing, and retail sector, leading to an inward migration of construction workers and small shop-owners as well as creating jobs for Botswana. The Chinese

Ambassador stated in 2010 that 20,000 job opportunities had been created for locals (Liu Huanxiing, 2010, p.1). There have been collaborative efforts between China and Botswana, to create new industries and also create jobs for Botswana. For example, the Shanghai Fengyue Glass Company (in conjunction with the Botswana Development Corporation) has been developing a glass factory, Huawei is active in the telecommunications sector and the Touch-Road Group has built an industrial park. Recently, Chinese companies acquired mineral prospecting licenses (Youngman, 2013). This partnership has created jobs for the locals and assisted the government in its quest of diversification.

In order to avoid rural-urban migration, the country must invest in transforming the rural areas into hubs that can attract youth entrepreneurship. Given the scenario, there is a need to put in place mechanisms which will encourage unrestrained participation of all major stakeholders in rural development activities, including those addressing job creation (Agarwal, 2001). All relevant stakeholders such as the government, parastatals and private sectors must take part in development initiatives including poverty alleviation and rural employment. It is not the sole responsibility of the government only in job creation; therefore, this calls for private and individual engagement in entrepreneurial activities (Kolawole, 2012; 2007; Ajila, 2015).

Furthermore, Botswana has enormous agricultural growth potential, which can be successfully realised if agricultural production and associated activities are undertaken on a commercial basis to allow for reinvestment and business expansion (MoA, 2011). If this initiative is well planned and implemented, this will surely unleash the potential of the rural youth to enable them to make a living, create job for others and reduce youth unemployment, increase Gross Domestic Production (GDP), enhance rural development and by that means reduce rural-urban migration.

With all these considered, the impact of globalisation cannot be ignored. Although it is claimed that globalization is an outcome of capitalist progress (Glazer & Rueschemeyer 2005), globalisation is an ongoing phenomenon characterized by the increasing interconnectedness among countries and individuals. This trend is propelled by advancements in transportation and communication technologies, facilitating the freer movement of commodities, money, information, including people between countries. It is for this reason that, to most economists 'globalisation' means the closer integration of economies via trade and factor flows. Outside economics, there is an even greater variety of definitions of globalisation; in popular critiques it is

taken to be synonymous with capitalism, big business, and multinational corporations (Lall, 2002). Therefore, understanding and appreciating the importance of influential players such as globalisation outcomes in terms of rising flow of products, equipment, services, finance (FDI, loans and portfolio investments), transport and communication costs, and lastly liberalisation policies whereby trade policies are put in place to regulate issues of FDI, free trade and privatisation is imperative.

Henceforth it is predicted that due to globalisation after trade liberalisation policies, it is common that employment growth increases. Therefore, a rise in trade raises the demand for labour-intensive products in poor, labour-surplus countries (Lall, 2002). These countries are known as developing countries. As a developing country, Botswana has to use its competitive advantage of having a prosperous economy to create employment opportunities for its people through globalisation. Even though it is well known now that many successful 'Tiger' economies in Asia did not have liberal trade and FDI policies but used widespread interventions in trade, capital and technology flows to promote competitiveness (Stiglitz, 1996, Lall, 2001), the same cannot be said for developing economies. Unlike these Asian powerhouses, developing countries may apply the positives of globalisation to grow their economies. This includes among others, innovation through R & D, industrial development and investment in information and technology.

In conclusion, it is eminent that, with the rise of globalization, entrepreneurial global start-ups have emerged in developing countries which are associated with job creation, wealth creation, innovation, and its related welfare effects. Indeed, the promotion of entrepreneurship and the promulgation of small and medium sized enterprise policy has become an important development prescription in recent years in these countries (Incekara, 2013). In Botswana, the impact of SMMEs cannot be ignored. Botswana's government must prioritise cultivating the spirit of doing businesses and promote small and medium- sized enterprises (SMME) to enhance youth livelihoods. It is worth noting that SMMEs play a crucial role in the economy of Botswana. Through the Ministry of Youth, Sports & Culture, the government of Botswana spends close to 1.2 million annually on entrepreneurship and small to medium and micro enterprises (SMMEs). In this budget, there is a special dispensation reserved for financing SMMEs belonging to the youth (MYSC, 2013). Despite these great efforts, it is argued that, due to lack of effective policy evaluation,

a lot of money being used on these unsustainable interventions will have little impact on job creation (Maphula, 2019).

5.CONCLUSION

In conclusion, youth unemployment is a global issue that varies in severity country by country. The causes and solutions to young unemployment also vary country by country. Therefore, addressing young unemployment is crucial, given the long-term consequences associated with prolonged unemployment. With this in mind, governments must have a long-term vision for welfare and development, prioritizing integrating young people into the labour force, as they represent a country's future potential. It is noted with concern that over the years, it has been common that youth unemployment has been so associated with individual factors especially educational reasons and lack of experience. This paper rather emphasises that for most of the youth to be unemployed is primarily due to barriers associated with the structure of the labour market. It is more than not having experience to penetrate the labour market, but it is more to do with lack of opportunities in the labour market. In light of the foregoing, it is submitted that creative solutions on how best to use Botswana's comparative advantage over countries with larger populations have to be explored and implemented. The government should implement real and sustainable solutions to growing unemployment and stop focusing on seemingly unsustainable strategies with short-term tenure and low wage rates. The government, contrary to some views, has the responsibility to create and provide jobs to the general populace. Unlike the developed countries, Botswana as a developing country should concern itself with the creation of jobs within the public service in light of the small and heavily public finance reliant private sector. In addition, the government should create an enabling environment for the private sector to empower the sector to help create sustainable employment opportunities.

Furthermore, efforts to diversify the economy must be intensified. This will ease self-reliance on the diamond industry which is currently saturated and overwhelmed. Botswana is facing a major challenge of diversifying the economy and tourism can be used as an option to lead the needed diversification. While this option presents an avenue for economic diversification in Botswana, it should be acknowledged that reliance solely on this sector may prove insufficient. Therefore, it is imperative for the government to proactively encourage the development of other industrial activities that not only contribute to boosting GDP but also generate more added value. By fostering the growth of diverse industries, the government can

create more qualified jobs with higher income potential, thus ensuring a more robust and resilient economy.

It is of importance that youth unemployment must be highly ranked in issues of policy agenda. The government must be intentional on youth employment initiatives and be the driver of a supportive, conducive environment to help the youth. Funds must be availed for apprenticeship and entrepreneurship schemes. In general terms, unemployment is normally higher for marginalised groups. People living with disabilities, ethnic indigenous groups, people from rural communities, women, and people in productive ages below 24. Therefore, the government needs to review its social policy and ensure that these vulnerable groups are cushioned against these social hardships.

As it is evident that the effects of unemployment are severe and can have drastic economic implications, it is therefore, important that policy and program implementers of the country's programs must ensure that all these initiatives to address socio- economic concerns must be most of all be inclusive and cater to all vulnerable societies and communities.

In conclusion, it is important to appreciate and address the shortcomings of this study and offer better alternatives for studies to be done in the future. Firstly, it's important to acknowledge that this study relied solely on desktop review, limiting the scope to published articles and online publications. This approach may have restricted our understanding of rapidly changing economic and social contexts surrounding youth unemployment. To mitigate this, further studies must use primary data collection methods such as surveys, interviews, and focus group discussions to offer a more comprehensive and accurate analysis. Additionally, previous studies predominantly drew from theories of the neo-classical school, potentially overlooking insights from Keynesian theoretical perspectives. This limitation underscores the need for a broader theoretical framework in future research to better elucidate the influence of structural barriers in the labour market on youth unemployment.

Moving forward, several suggestions for future research emerge from this analysis findings. Empirical studies are essential to guide the planning, carrying out, and monitoring of youth development programs aimed at mitigating unemployment. Furthermore, future research should integrate multiple theoretical models to offer a nuanced understanding of employment dynamics and hence suggest better intervention strategies. It is therefore recommended that future studies delve into the

unique characteristics of youth-owned firms across different districts in Botswana. Tailoring government interventions to address district-specific needs can enhance the effectiveness of youth employment initiatives. Additionally, research focusing on youth participation in rural service and infrastructure creation is warranted to mitigate rural-urban migration. Furthermore, the prioritization of youth entrepreneurial development projects by the relevant ministries is essential. Collaboration with NGOs and technical colleges can provide targeted support to youth-owned businesses, fostering sustainable growth. Moreover, efforts to diversify the economy away from reliance on the diamond mining sector should be intensified, with a focus on other economic sectoral hubs such as agriculture, tourism, and industries to stimulate job creation. Globalization is also an option that presents opportunities for industrialization and being part of the global value chains, which can offer better opportunities for employment for the youth. Expanding human resource exportation and creating an attractive environment for foreign direct investment are crucial steps in addressing youth unemployment. By implementing these recommendations, Botswana can chart a path towards inclusive growth and prosperity for its youth population.

In the end, the emphasis must be intensified on the importance of investment, both public and private in order to stimulate consumption and produce sustainable job creation opportunities. In order to protect the masses, state-owned enterprises must be promoted, and diversification carried out to explore other sectors and thus substantiate over-reliance on the diamond industry.

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