



East and Southern Africa Regional Office
Middle Income Country Hub

POLICY BRIEF

Realizing the ICPD to address multidimensional inequalities and unlock inclusive human capital potential in Botswana

Key extracted from MIC Flagship Report 2024,

“Trapped in the Middle: Realizing the ICPD to Address Multidimensional Inequalities and Unlock Inclusive Human Capital Potential in Middle-Income Countries in East and Southern Africa”

EXECUTIVE SUMMARY (1/2)

*Botswana stands at a pivotal crossroads in its development journey. **Despite maintaining middle-income status for over 30 years, the country remains constrained by structural inequalities that hinder inclusive growth and human capital development.** This Policy Brief, based on the flagship report "Trapped in the Middle: Realizing the ICPD to Address Multidimensional Inequalities and Unlock Inclusive Human Capital Potential in Middle-Income Countries in East and Southern Africa", focuses on Botswana, offering targeted insights and policy recommendations to help the country escape the middle-income trap.*

***At the heart of this analysis is a call for people-centered development and strategic investment in human capital.** Botswana's economic structure has shifted over the past decades, with declining agricultural and manufacturing sectors overtaken by services. This shift has limited decent job opportunities and skill development, contributing to rising income inequality and hindering inclusive growth.*

***Persistent socio-economic disparities undermine development efforts.** While Botswana has maintained stability and leveraged its resource wealth, economic gains have not translated into equitable opportunities, particularly for marginalized groups. Gender inequality remains a key barrier, with Botswana lagging behind global averages in maternal mortality, adolescent births, and female participation in socio-economic activities.*

***Despite these challenges, Botswana has a significant opportunity to harness its growing working-age population over the next 25 years.** To realize this demographic dividend, strategic investments in education, health, and labor market integration are essential. Currently, 51% of Botswana's wealth comes from human capital—higher than some African peers but below the global average—indicating room for growth.*

***However, Botswana's Human Capital Index remains below potential, with significant gaps in education quality, skill development, and health outcomes.** Persistent health disparities, including high adult mortality rates and notable gaps in child survival, further constrain human capital development, highlighting the urgent need for targeted health interventions. Maternal mortality rates remain high, with slow and uneven progress in reducing them, underscoring the critical importance of improving maternal healthcare access and outcomes.*

EXECUTIVE SUMMARY (2/2)

Gender-based violence, particularly intimate partner violence, affects over one-third of women in Botswana, posing a major challenge to gender equality and social cohesion. Community-driven efforts are needed to challenge harmful norms, prevent violence, and support survivors.

Education presents both strengths and challenges. While school enrollment rates are relatively high, significant learning gaps persist, limiting student outcomes. These gaps highlight the need for policies that improve the quality and relevance of education. In the labor market, women remain underrepresented despite educational progress, reflecting the underutilization of women's human capital.

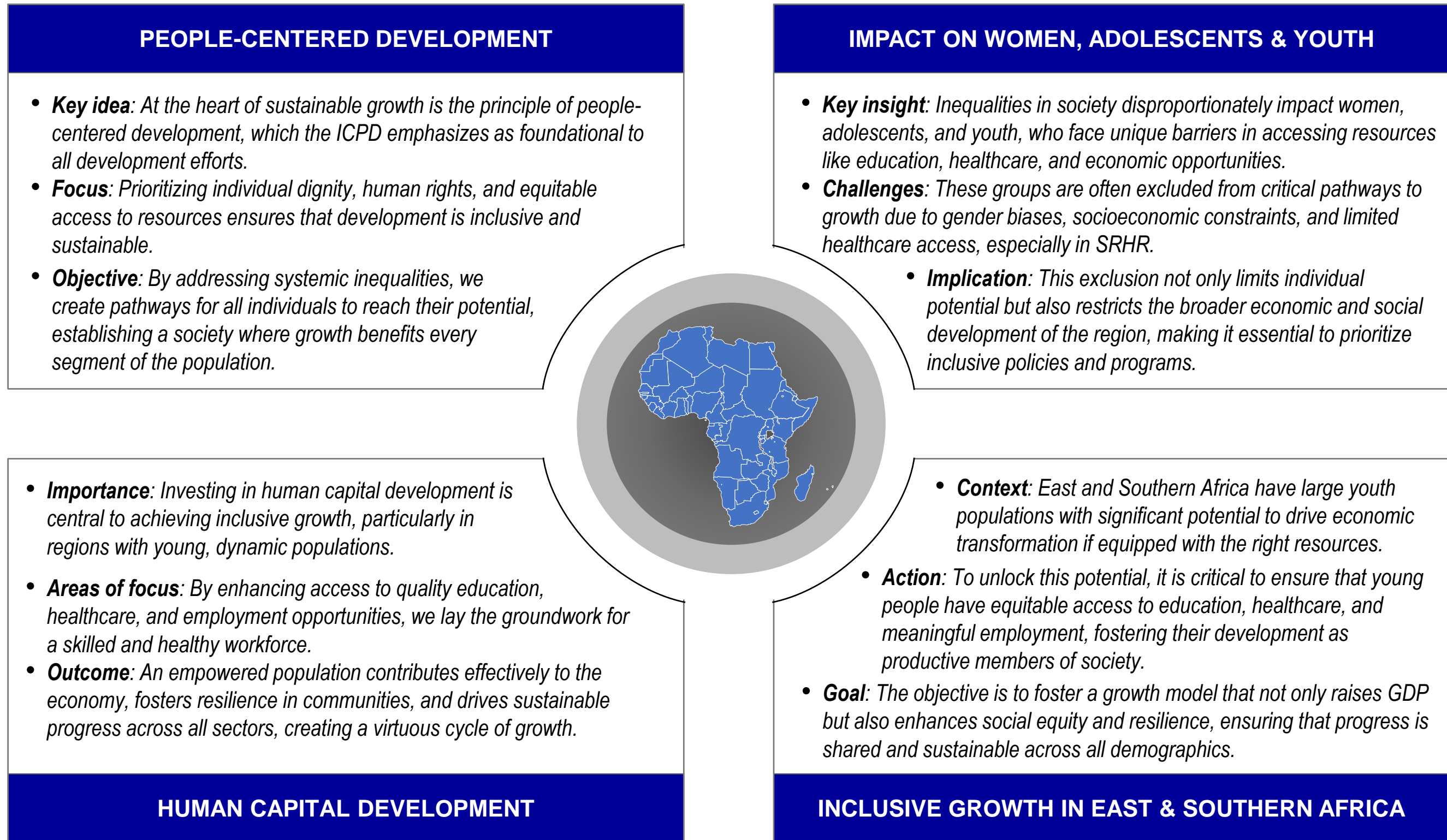
Informal employment remains widespread, with nearly 80% of women and over 70% of men working in the informal sector. This limits job security and economic opportunities, particularly for women, and underscores the need for policies that promote formal employment and equitable labor market participation.

Unlocking Botswana's human capital potential requires an integrated, people-centered approach that addresses multidimensional inequalities, invests in gender-focused education, empowers youth, and leverages demographic diversity for sustainable and inclusive growth.

Key policy implications include: (i) **Invest in SRHR and health systems** to reduce maternal mortality, improve child survival, and lower adolescent fertility rates; (ii) **Strengthen education systems** to close learning gaps and improve education quality and relevance; (iii) **Promote labor market inclusion** by addressing social norms and barriers that limit women's economic participation; (iv) **Reduce informal employment** by supporting formal job creation and expanding social protections, especially for women; (v) Implement localized interventions to bridge service gaps in health, education, and economic opportunities; and (vi) **Harness the demographic dividend** through strategic investments in human capital to drive sustained, inclusive growth.

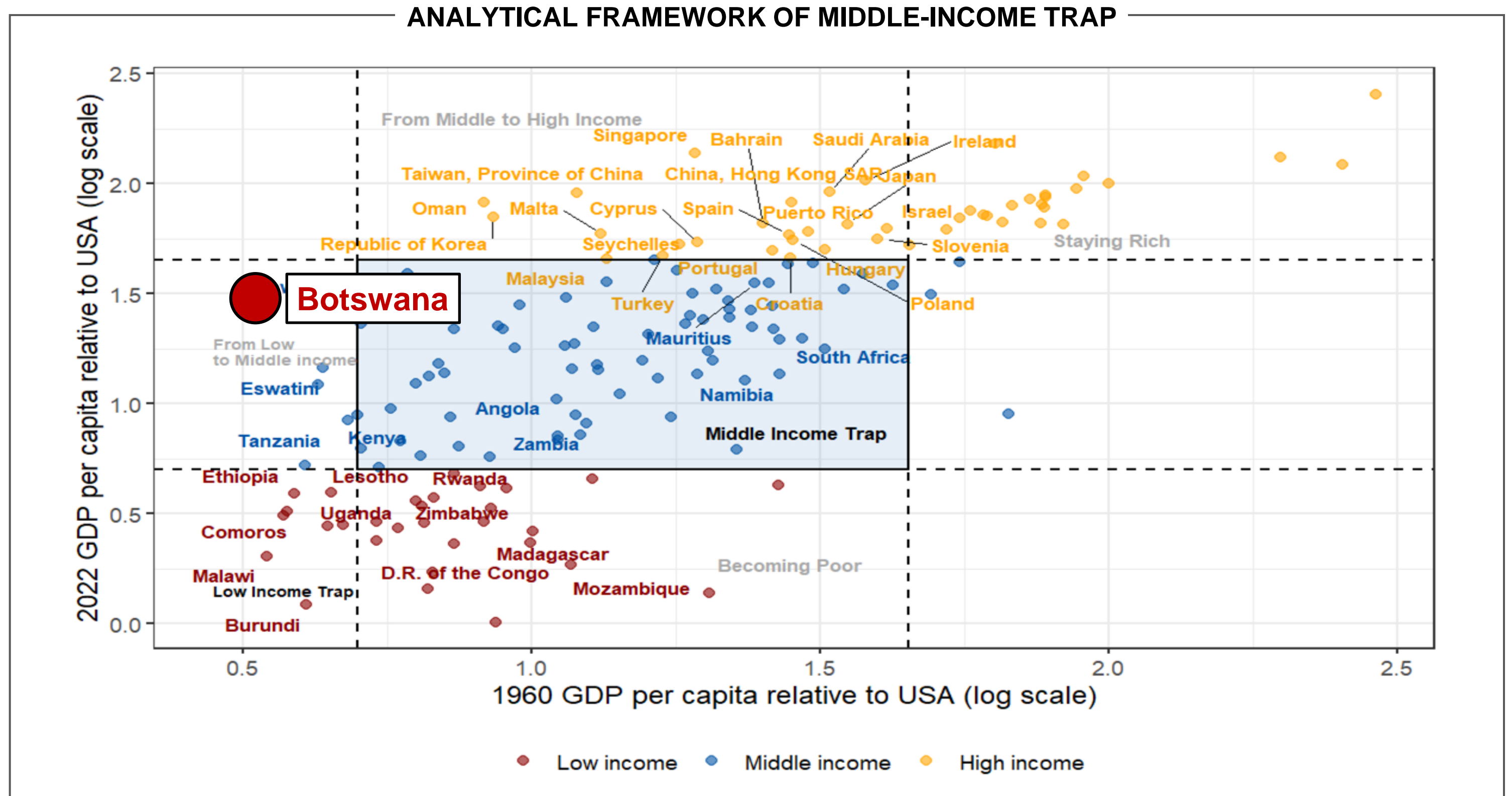
Botswana has the potential to break free from the middle-income trap, but doing so will require bold, transformative policies that prioritize people, promote equity, and invest in future generations.

Botswana's path to inclusive growth starts with people-centered development and strategic investment in human capital. Addressing persistent inequalities affecting women, adolescents, and youth is essential to ensure no one is left behind on the country's development journey.



MIDDLE-INCOME TRAP & SOCIO-ECONOMIC TRANSFORMATION

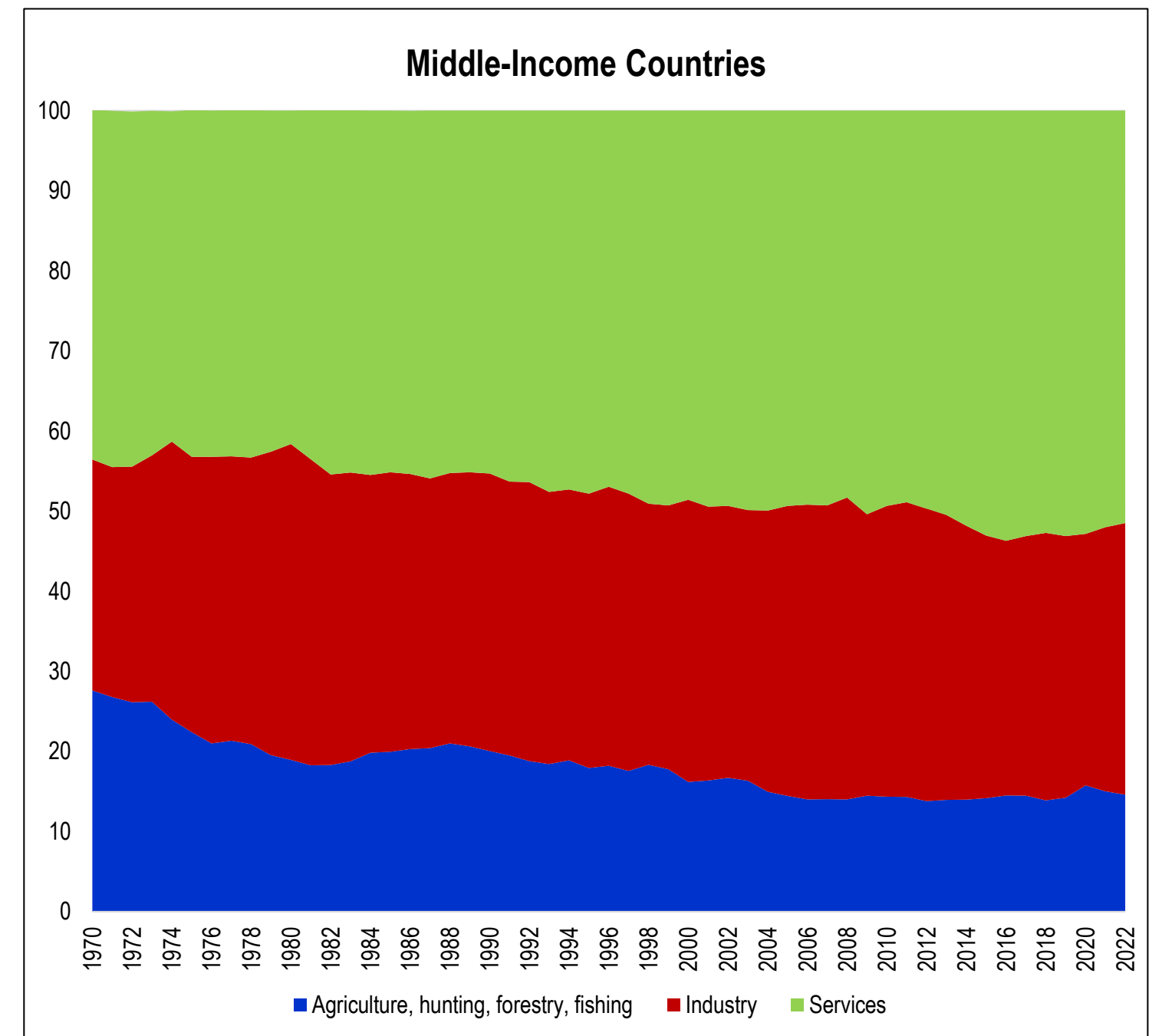
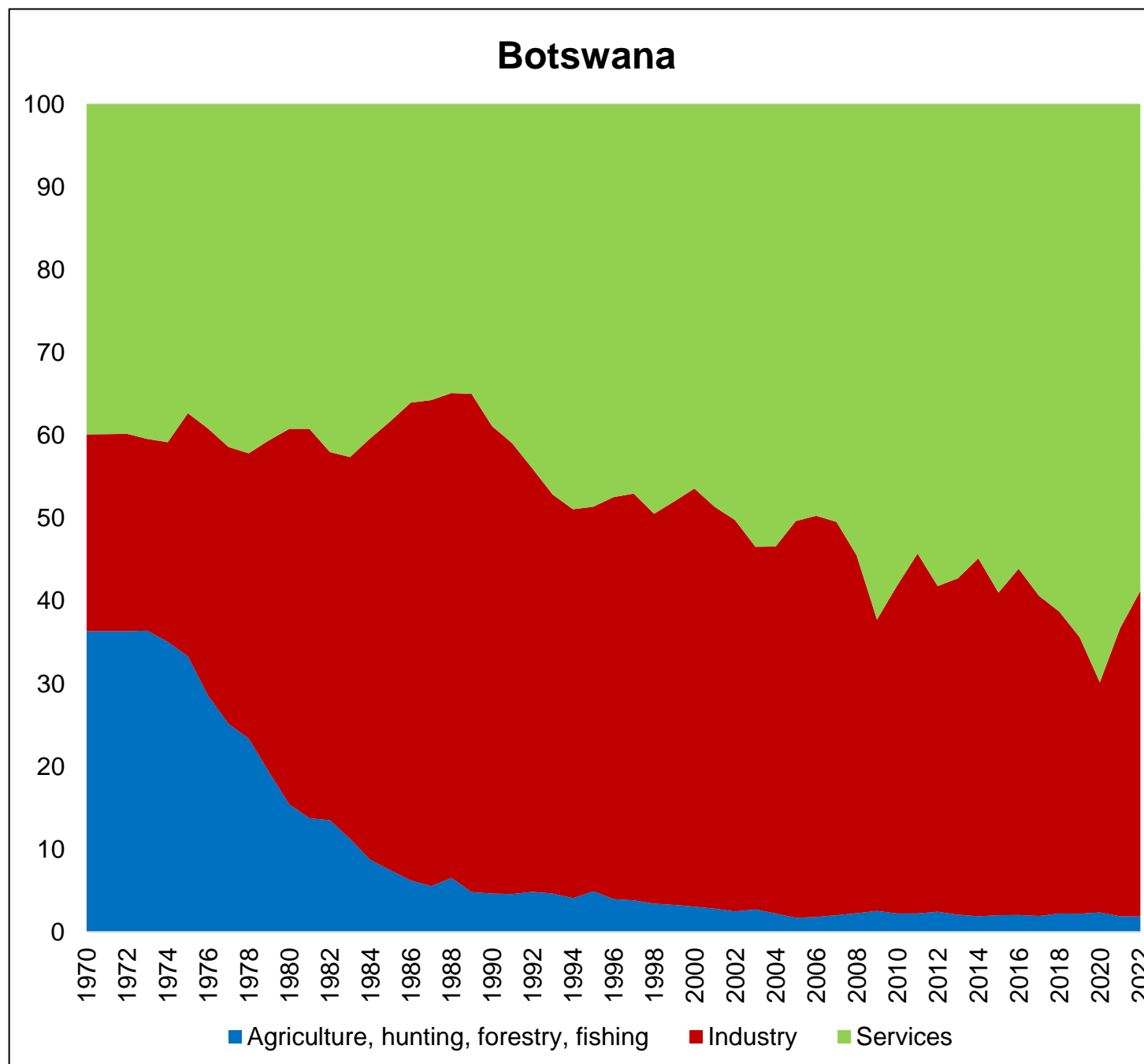
Despite over 30 years as a middle-income country, Botswana has seen limited progress toward higher-income status. While its stability and resource wealth offer potential, transformative policies are needed to address structural inequalities and unlock inclusive, sustained growth.



SHIFTING ECONOMIC STRUCTURES & RISING INEQUALITIES

The economy's structural shift—marked by declining agricultural and manufacturing sectors and a growing service industry—has limited potential opportunities for decent jobs and skill development, fueling rising income inequality and hindering inclusive productivity growth.

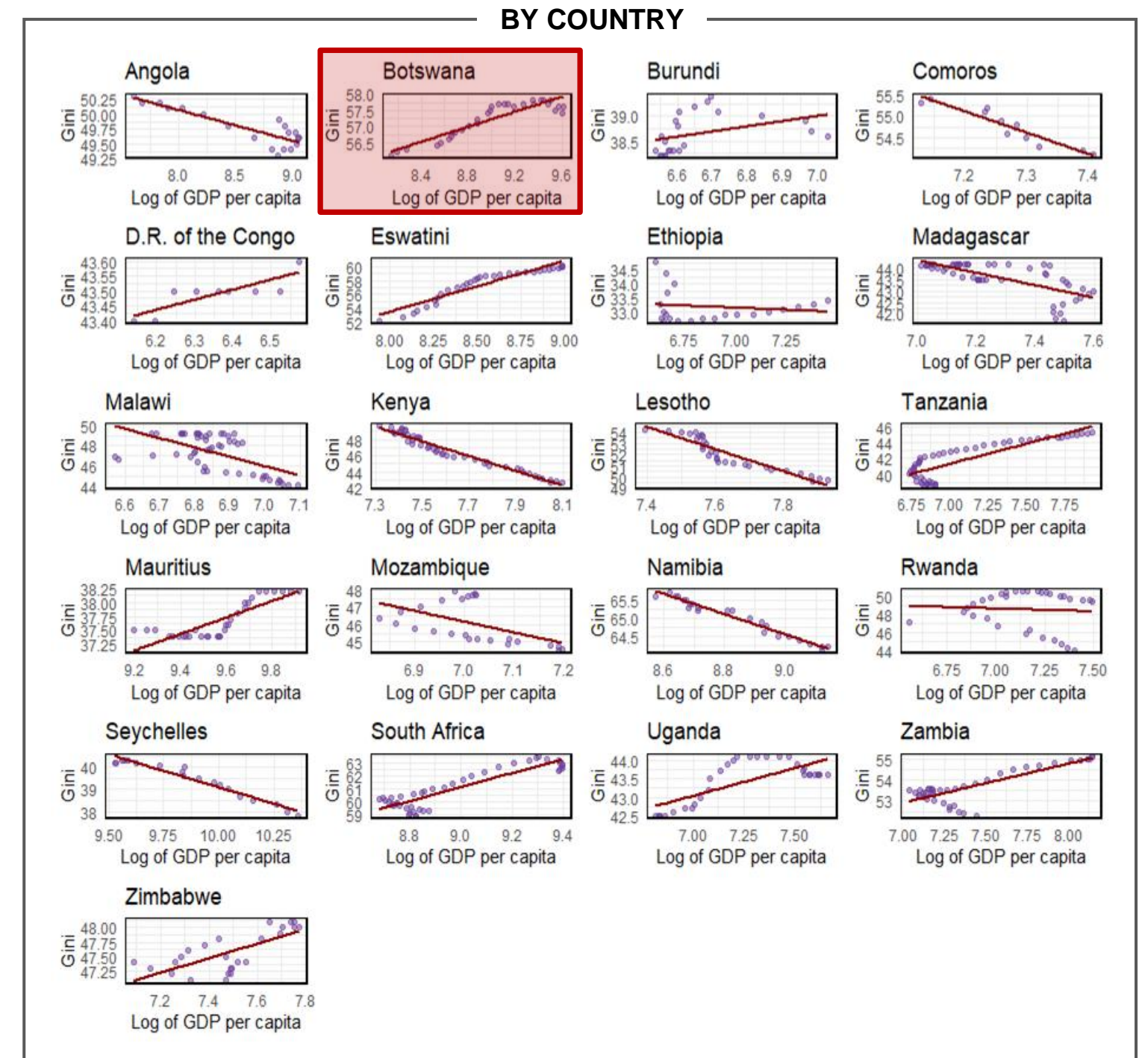
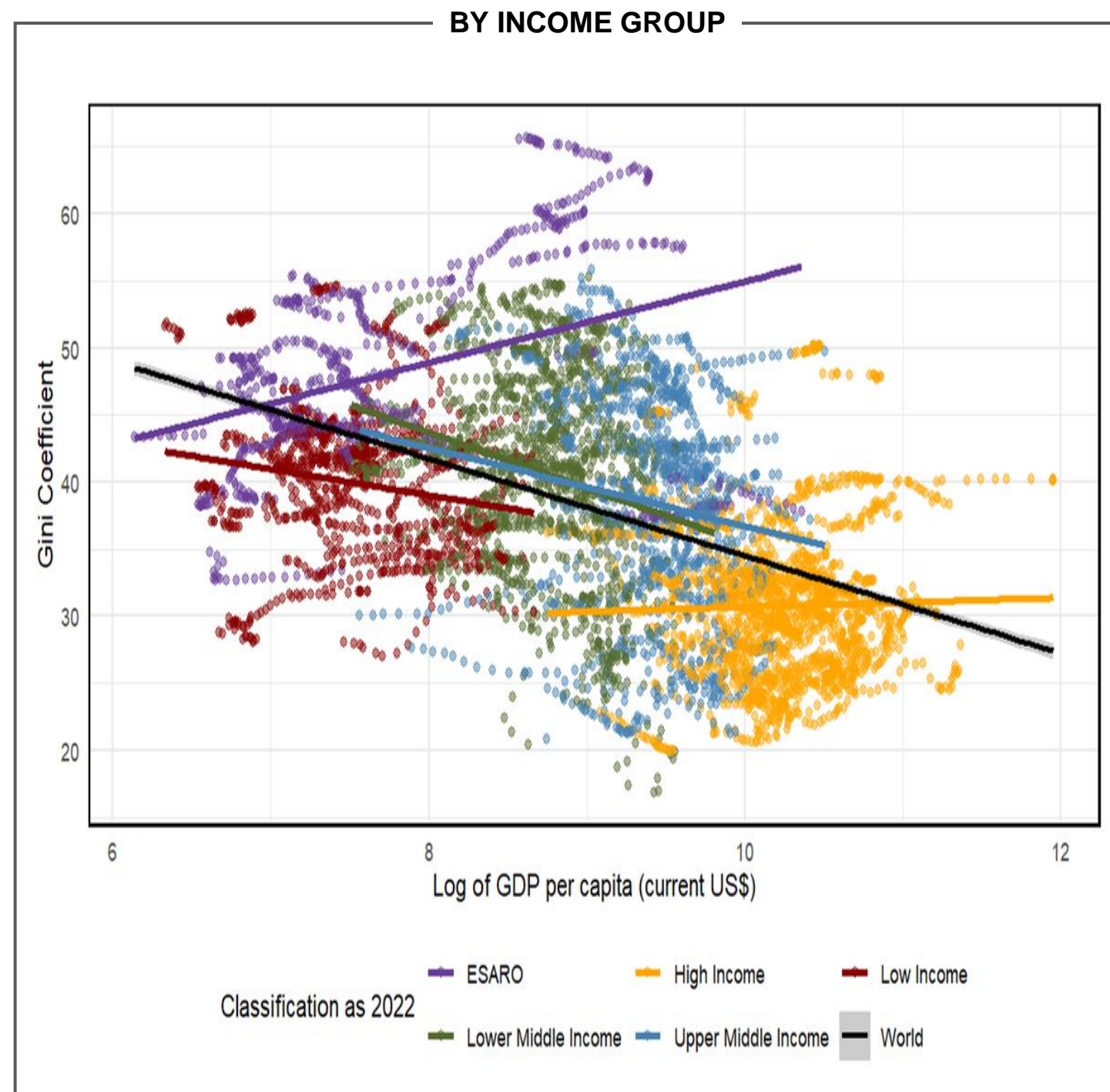
STRUCTURAL SHIFTS: SECTORAL COMPOSITION IN BOTSWANA & MIDDLE-INCOME COUNTRIES



INTER-DYNAMICS BETWEEN GROWTH VS. INEQUALITY

This growth-inequality nexus in Botswana reveals deep-rooted socio-economic disparities. Economic expansion has often exacerbated inequality, undermining efforts toward inclusive development and limiting the widespread benefits of growth.

EMPIRICAL RELATIONSHIP BETWEEN INCOME INEQUALITY & GROWTH



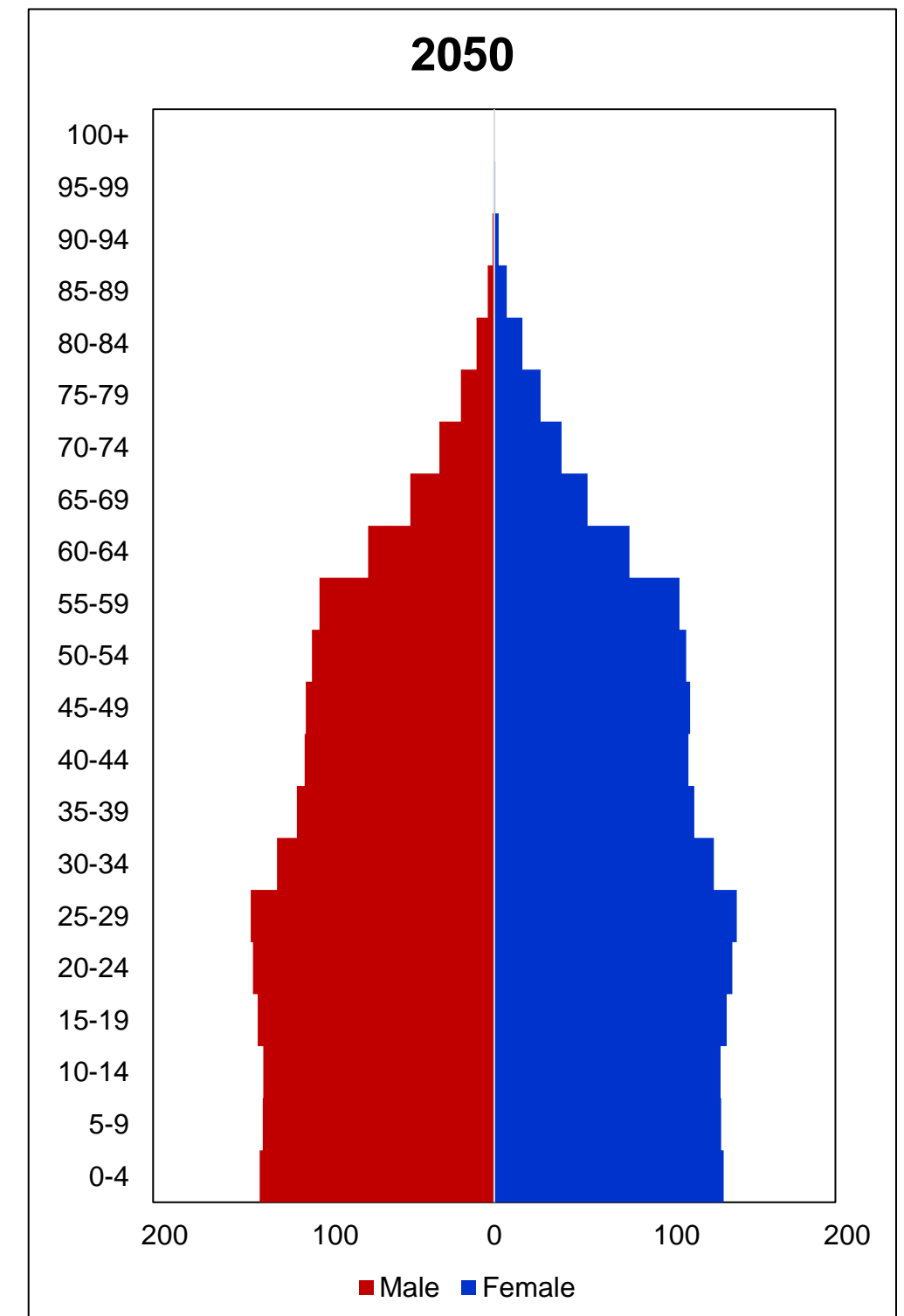
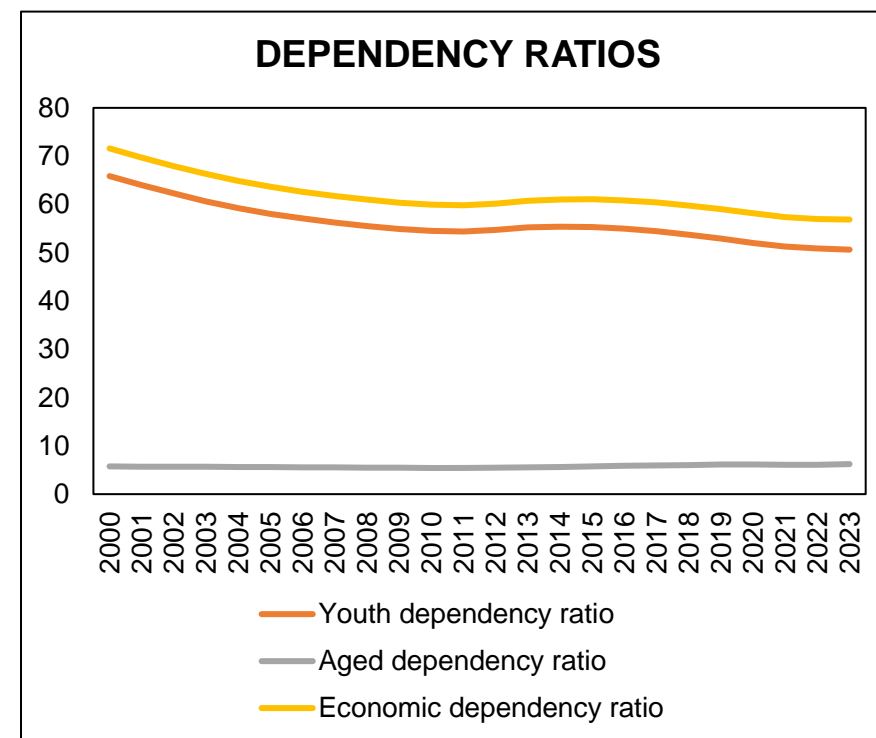
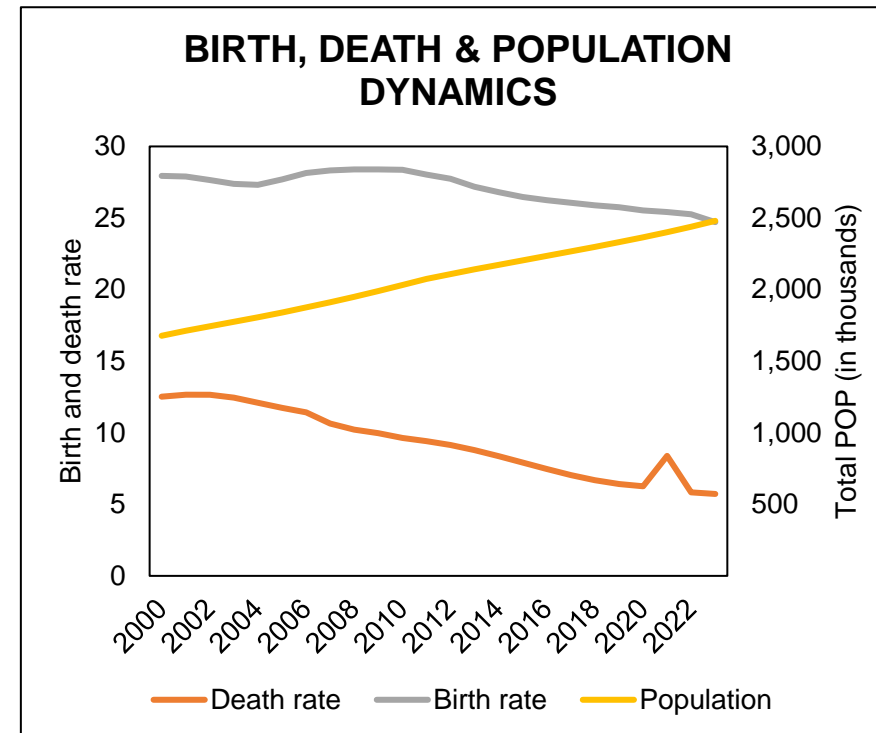
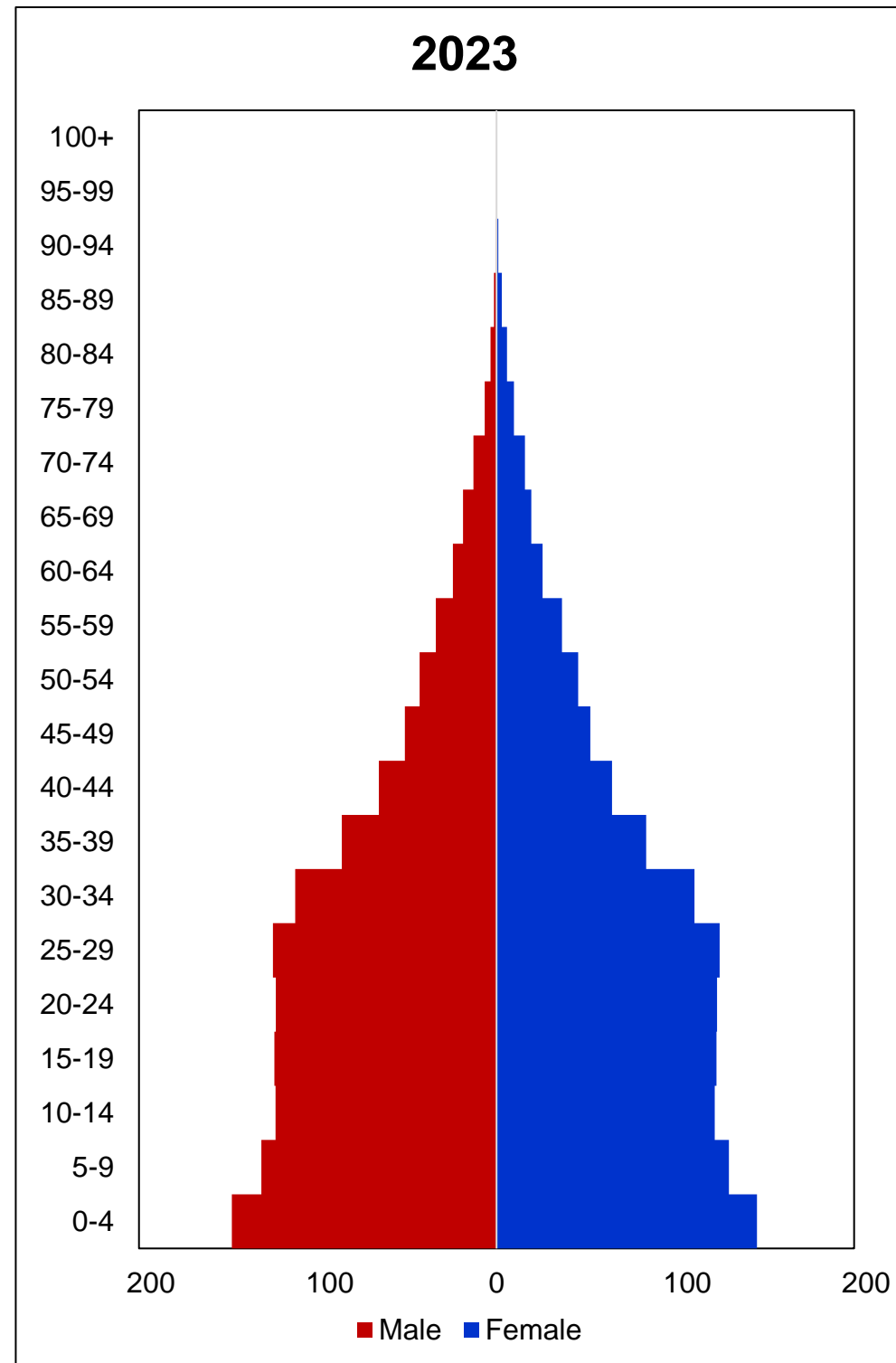
Beyond income inequality, gender disparities remain a significant challenge. Botswana outperforms many African countries but still lags behind global averages in maternal mortality, adolescent births, and female participation in socio-economic activities, with uneven progress across sectors.

GENDER INEQUALITY INDEX, 2022

Country	Gender Inequality Index	Maternal mortality ratio	Adolescent birth rate	Share of seats in parliament	Population with at least some secondary education	Labour force participation rate
World	0.462	214.7	41.9	26.2	64.1	46.8
By income level						
Least Developed Countries	0.556	354.3	92.4	25.1	23.4	50.4
Small Island Deveoping States	0.457	203.3	50.6	27.0	58.8	51.4
High Income Countries (OECD)	0.194	21.3	18.5	32.7	86.7	53.0
By region						
Arab States	0.523	127.5	44.2	18.3	51.0	19.9
East Asia and the Pacific	0.340	78.5	21.4	21.0	72.5	54.0
Europe and Central Asia	0.224	20.6	19.5	26.0	83.7	45.4
Latin America and the Caribbean	0.386	85.3	52.3	34.1	64.4	51.6
South Asia	0.478	131.7	27.9	17.9	40.9	28.1
East and Soutern Africa	0.501	322.4	83.4	28.7	34.4	60.9
ESA Upper Middle Income	0.426	152.9	49.1	28.0	70.9	51.8
ESA Lower Middle Income	0.522	313.0	93.0	26.0	36.0	58.1
ESA Low Income	0.519	429.5	92.6	31.9	17.0	67.6
Seychelles	n/a	3.3	52.1	22.9	n/a	65.2
Mauritius	0.369	84.4	24.0	20.0	66.5	42.2
South Africa	0.401	126.8	60.9	45.4	83.0	50.8
Botswana	0.483	185.9	48.3	11.1	92.1	60.1
Eswatini	0.491	239.6	68.4	21.2	35.3	44.9
Namibia	0.450	214.6	63.1	35.6	42.1	54.1
Kenya	0.533	530.0	62.6	24.8	54.6	62.9
Angola	0.520	221.9	135.8	33.6	21.3	74.7
Comoros	n/a	217.0	56.1	16.7	n/a	41.1
Zambia	0.526	134.7	116.1	15.1	33.7	54.2
Uganda	0.527	284.1	105.7	33.8	10.8	74.5
Zimbabwe	0.519	356.8	92.6	33.6	63.4	60.0
Rwanda	0.400	258.9	32.2	54.7	14.6	54.8
Tanzania	0.513	238.3	123.4	36.9	9.3	75.5
Lesotho	0.552	566.2	89.1	26.0	34.1	51.6
Malawi	0.579	380.7	117.2	22.9	12.7	63.1
Eritrea	n/a	321.6	63.6	22.0	n/a	n/a
Ethiopia	0.494	266.7	66.5	38.9	7.5	57.6
Madagascar	0.574	391.5	118.1	17.8	15.9	78.8
Congo, Dem. Rep.	0.605	547.4	107.5	14.8	38.8	60.0
Mozambique	0.477	127.1	165.1	42.4	17.9	73.9
Burundi	0.499	494.4	52.6	38.9	8.2	78.0
South Sudan	n/a	1,222.5	97.4	32.3	26.5	n/a

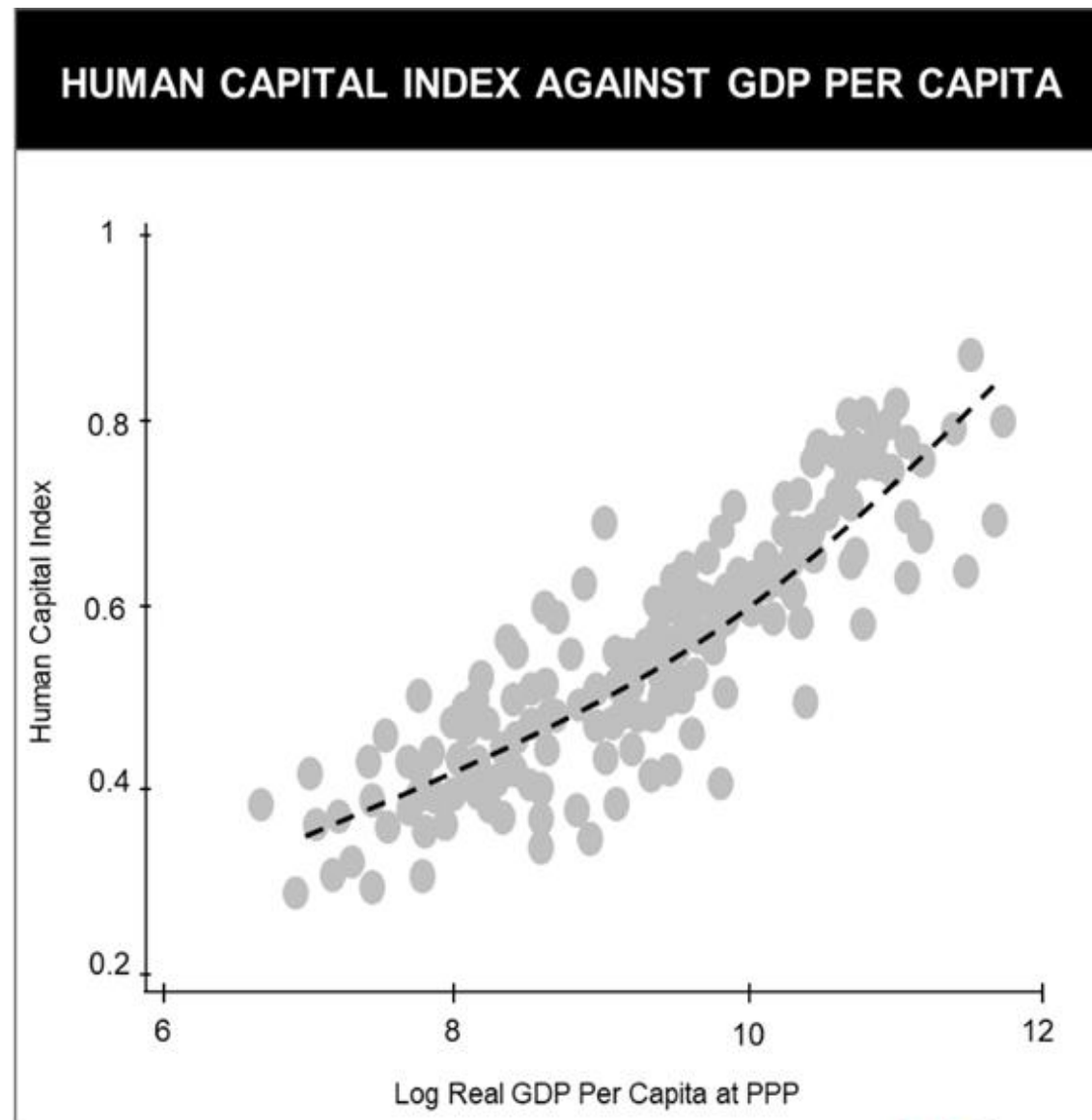
BOTSWANA'S DEMOGRAPHIC SHIFT: HARNESSING THE DIVIDEND

Demographic shifts offer a unique opportunity. Over the next 25 years, Botswana's growing working-age population could drive a demographic dividend. To harness this potential, strategic investment in human capital is critical to fostering inclusive growth and resilience.

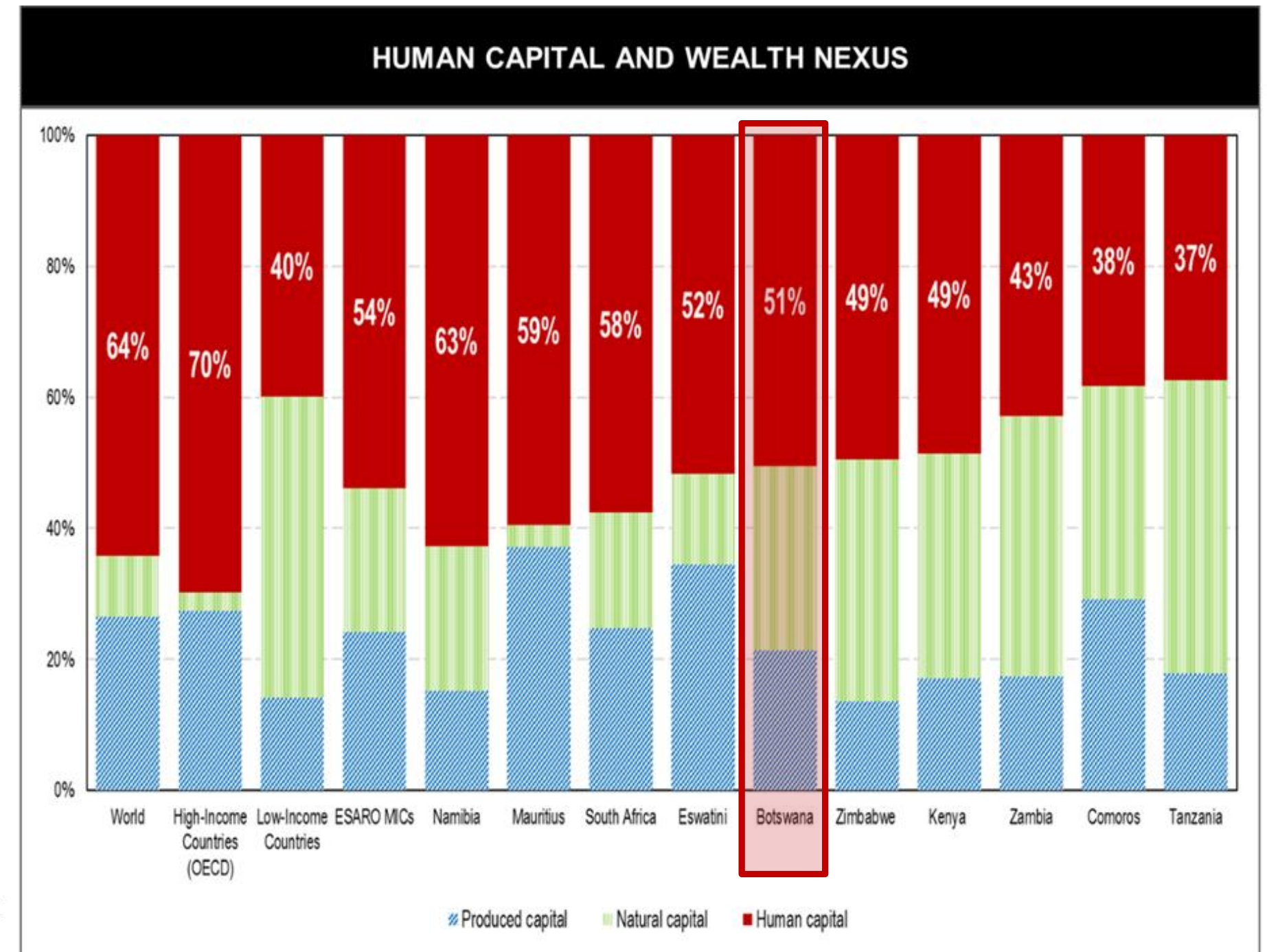


HUMAN CAPITAL & NATIONAL WEALTH NEXUS

Botswana derives 51% of its wealth from human capital—outpacing some African peers but still below the global average. Maximizing this potential requires investing in a future-ready workforce through education, health, and skills development to sustain long-term growth.

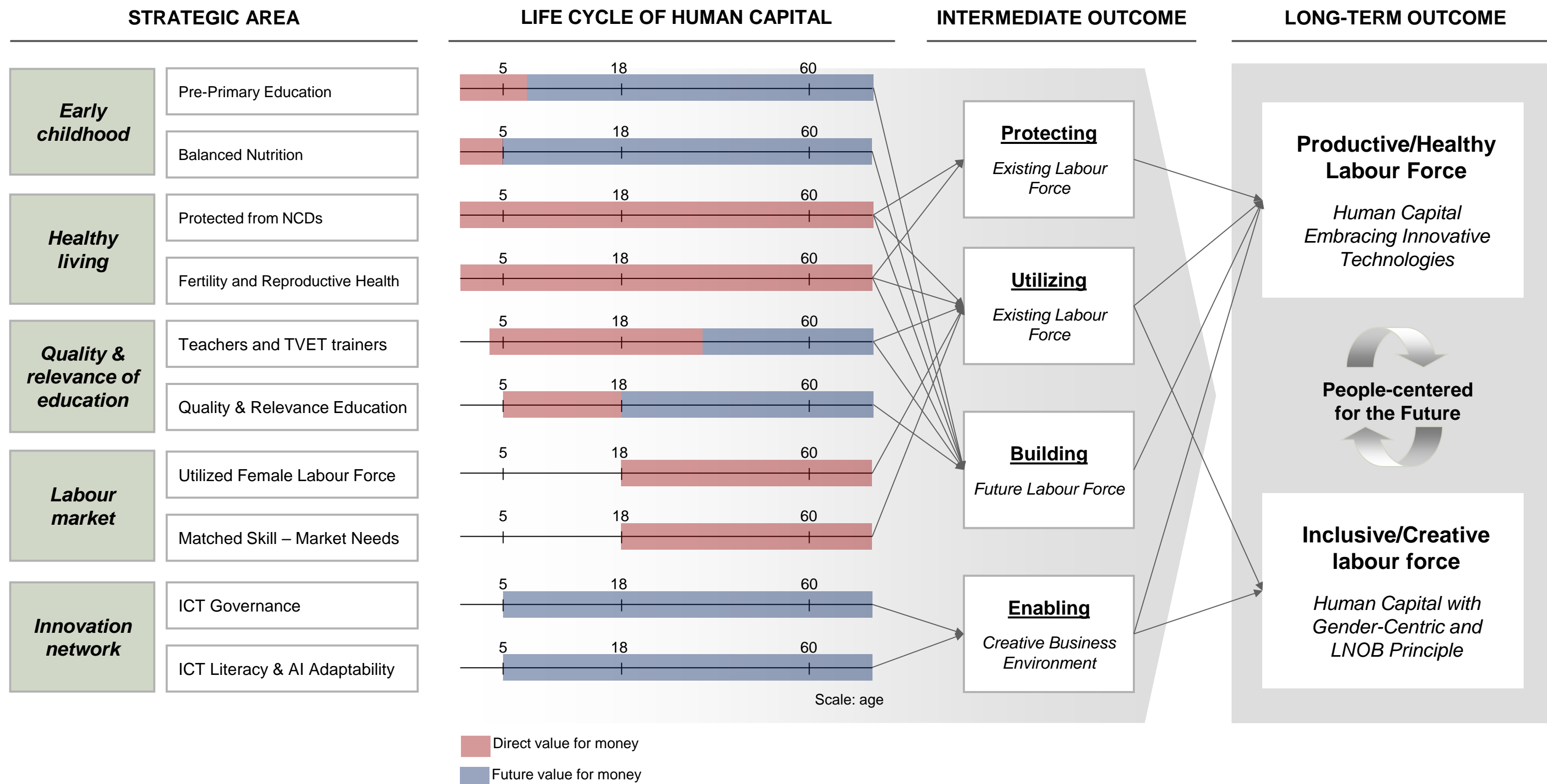


Human capital linkage to wealth



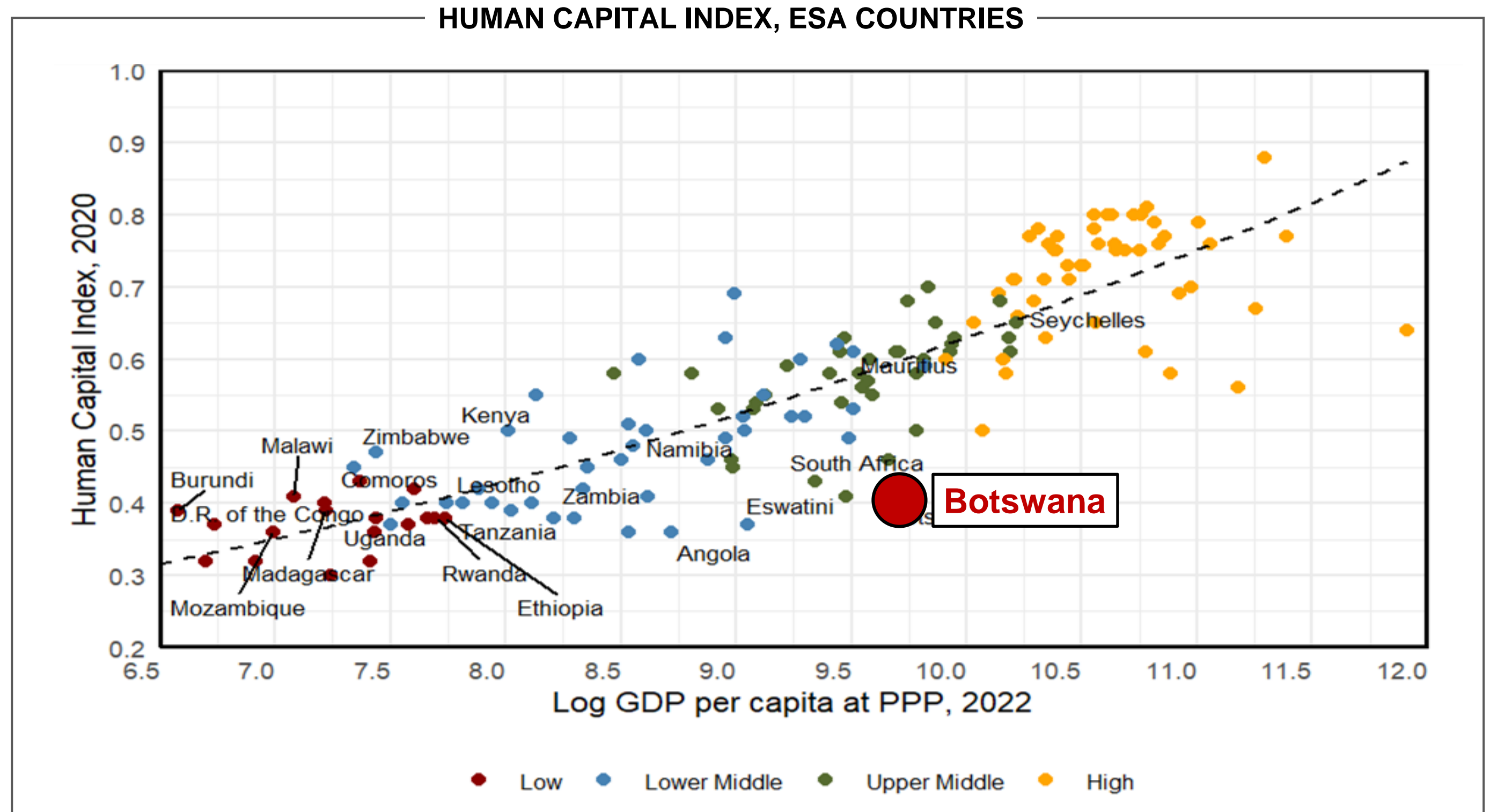
SYSTEMATIC APPROACH TO HUMAN CAPITAL DEVELOPMENT

A systematic approach to human capital development is vital. Integrating maternal health, education, vocational training, labor market integration, and innovation under a cohesive Theory of Change can link these sectors to the overarching goal of inclusive, sustainable growth.



HUMAN CAPITAL INDEX TRAJECTORY

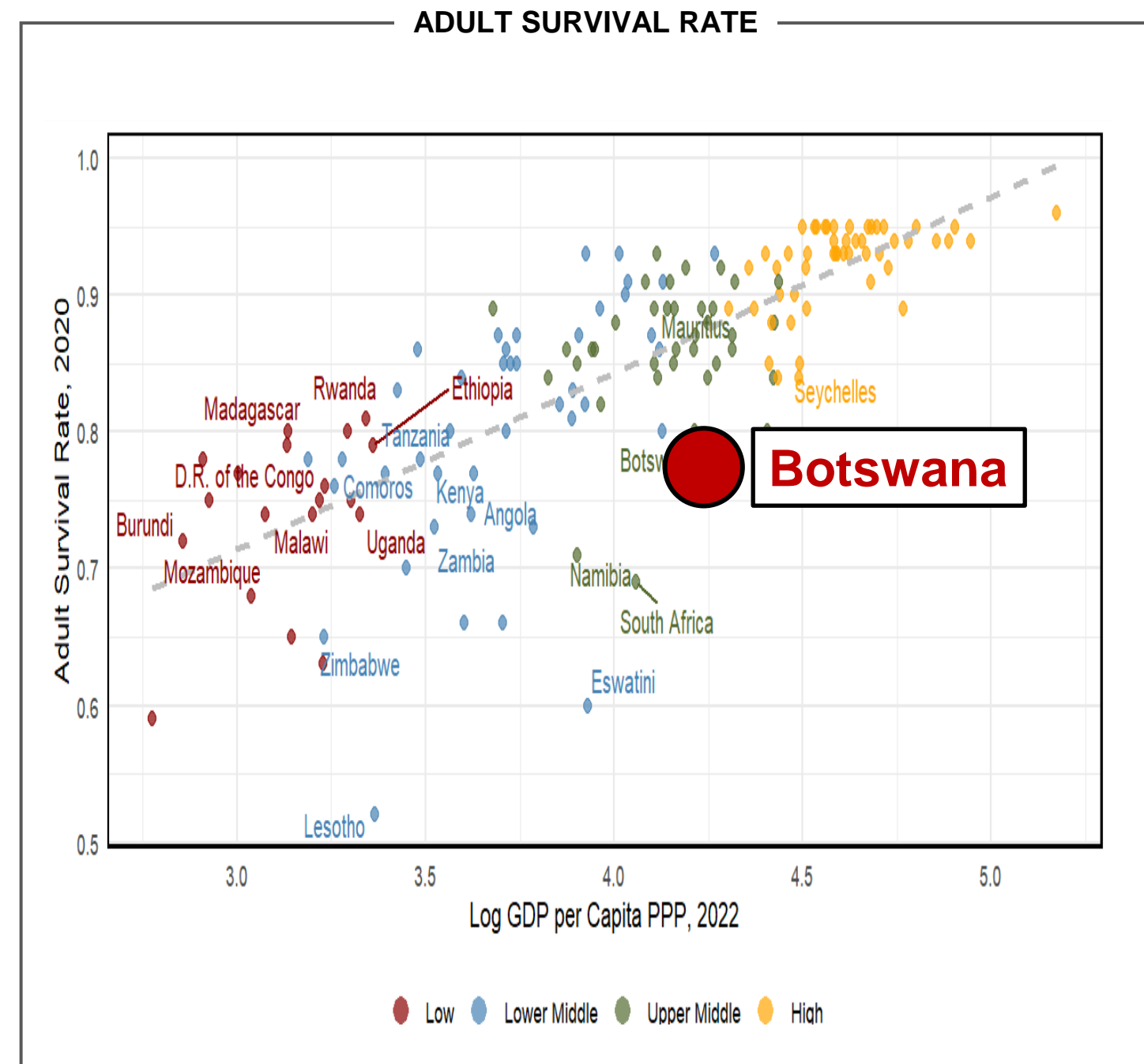
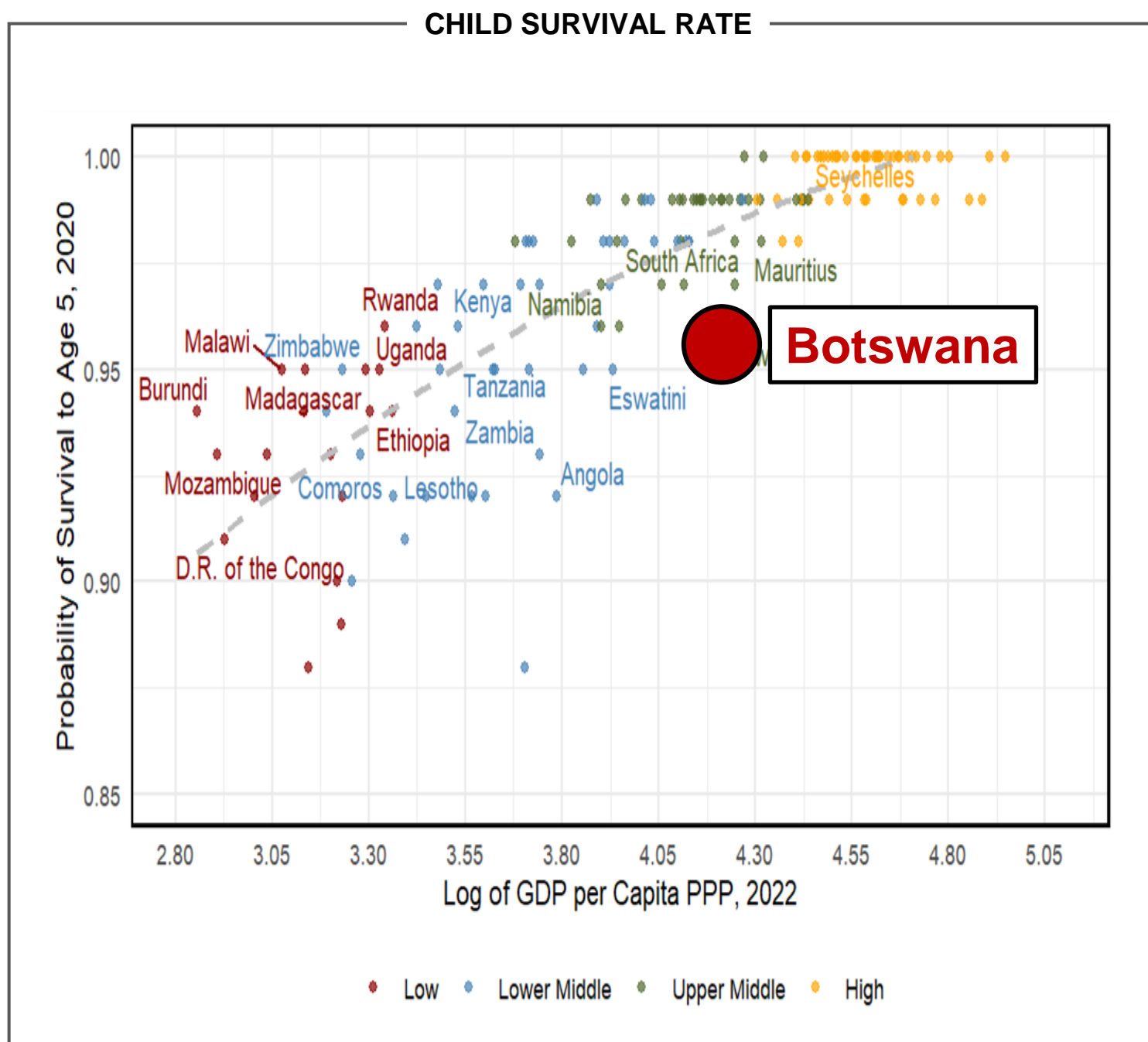
Despite its relatively high GDP per capita, Botswana's Human Capital Index remains below its potential, exposing gaps in education, health, and skill development. Targeted investments are essential to bridge this gap, boost productivity, and unlock future growth.



DISPARITIES IN CHILD & ADULT SURVIVAL

Persistent challenges in child and adult survival rates further constrain Botswana's human capital development. High adult mortality and gaps in child survival undermine growth prospects and highlight the urgent need for targeted health interventions to break intergenerational poverty cycles.

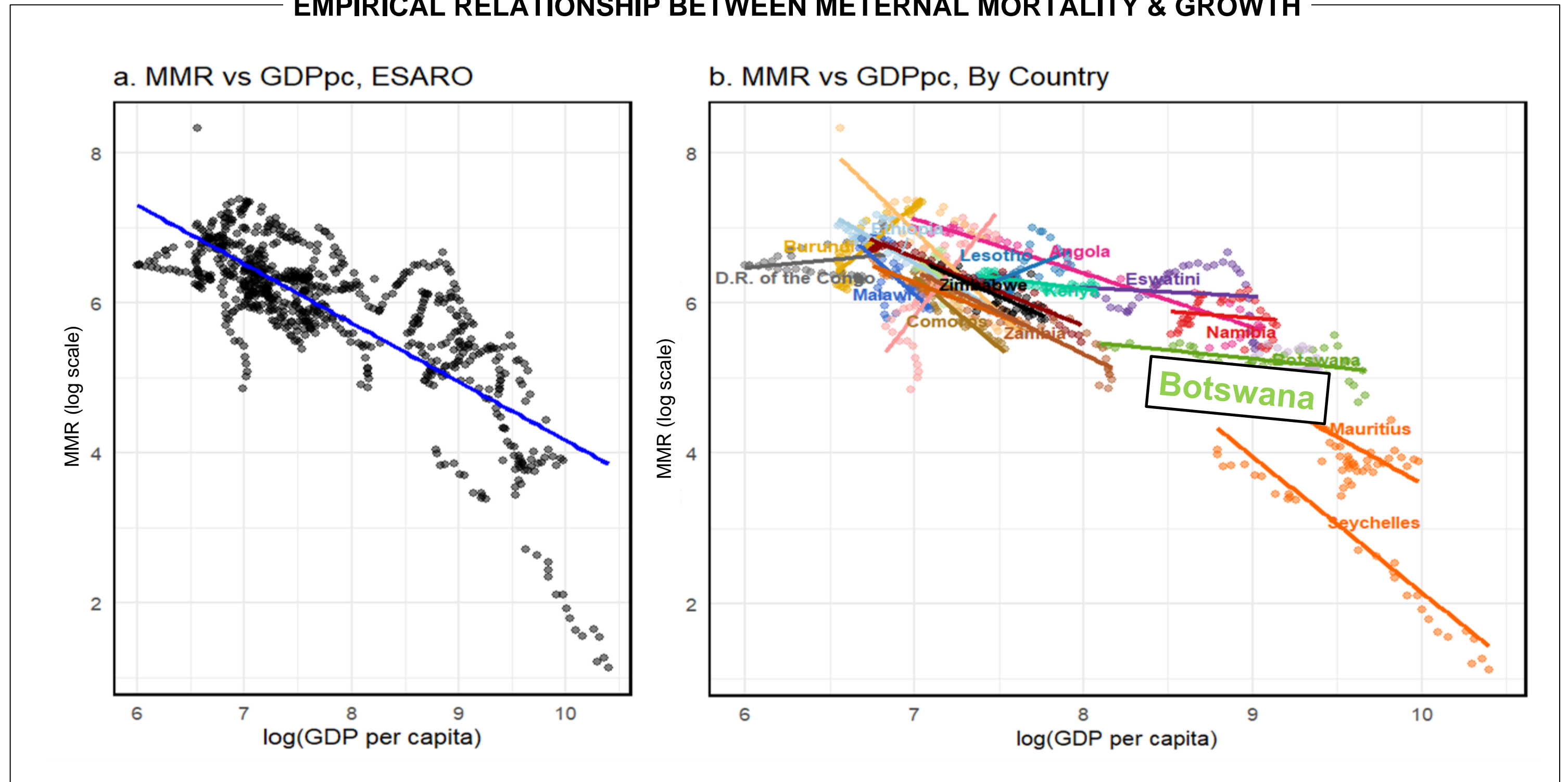
EMPIRICAL RELATIONSHIP BETWEEN HUMAN CAPITAL (CHILD & ADULT SURVIVAL) & GROWTH



MATERNAL MORTALITY & SOCIO-ECONOMIC LOSS

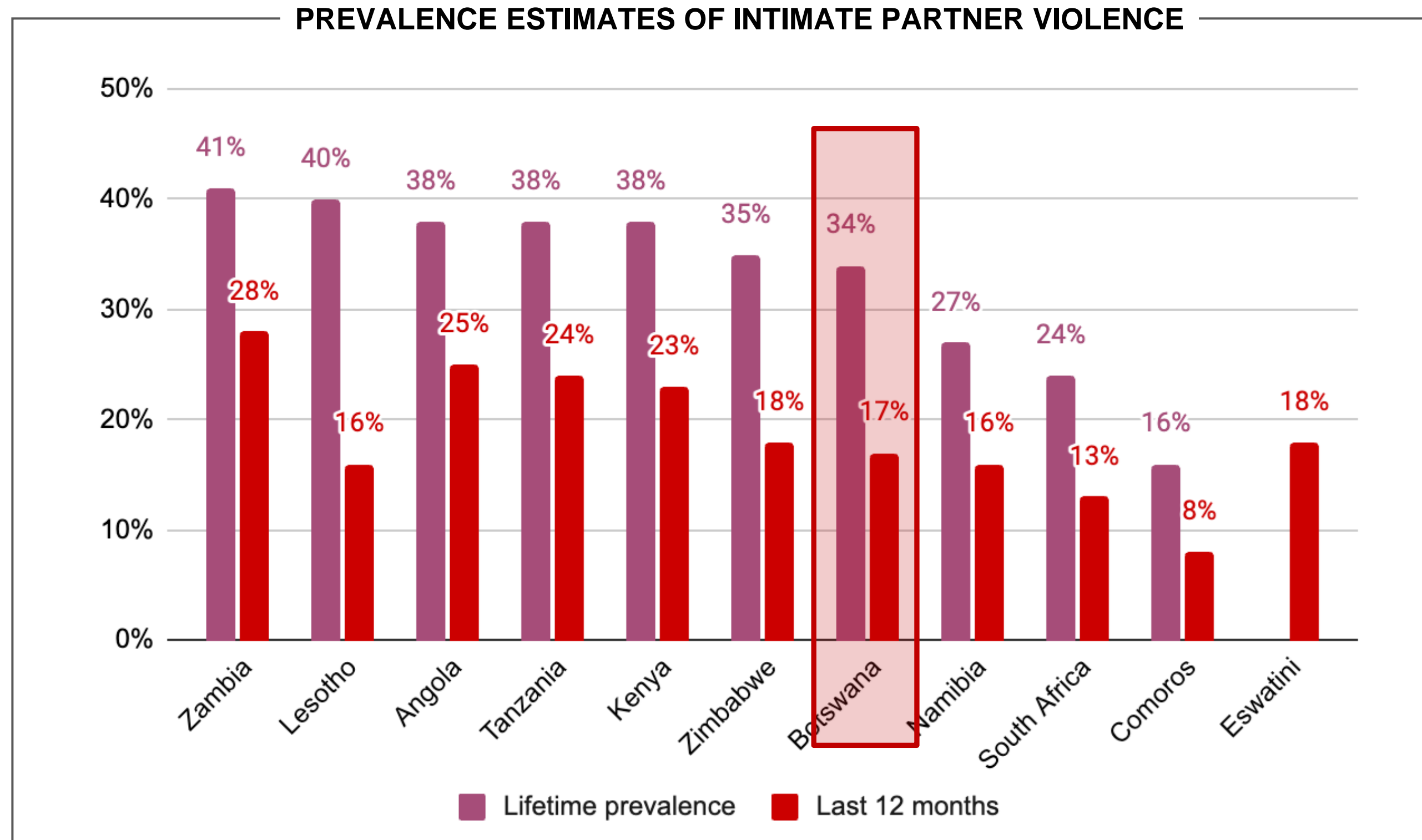
Maternal health remains a key concern. High maternal mortality rates and slow progress in reducing them point to the need for comprehensive, targeted interventions to improve healthcare access and outcomes, particularly for vulnerable populations.

EMPIRICAL RELATIONSHIP BETWEEN METERNAL MORTALITY & GROWTH



PREVALENCE OF INTIMATE PARTNER VIOLENCE

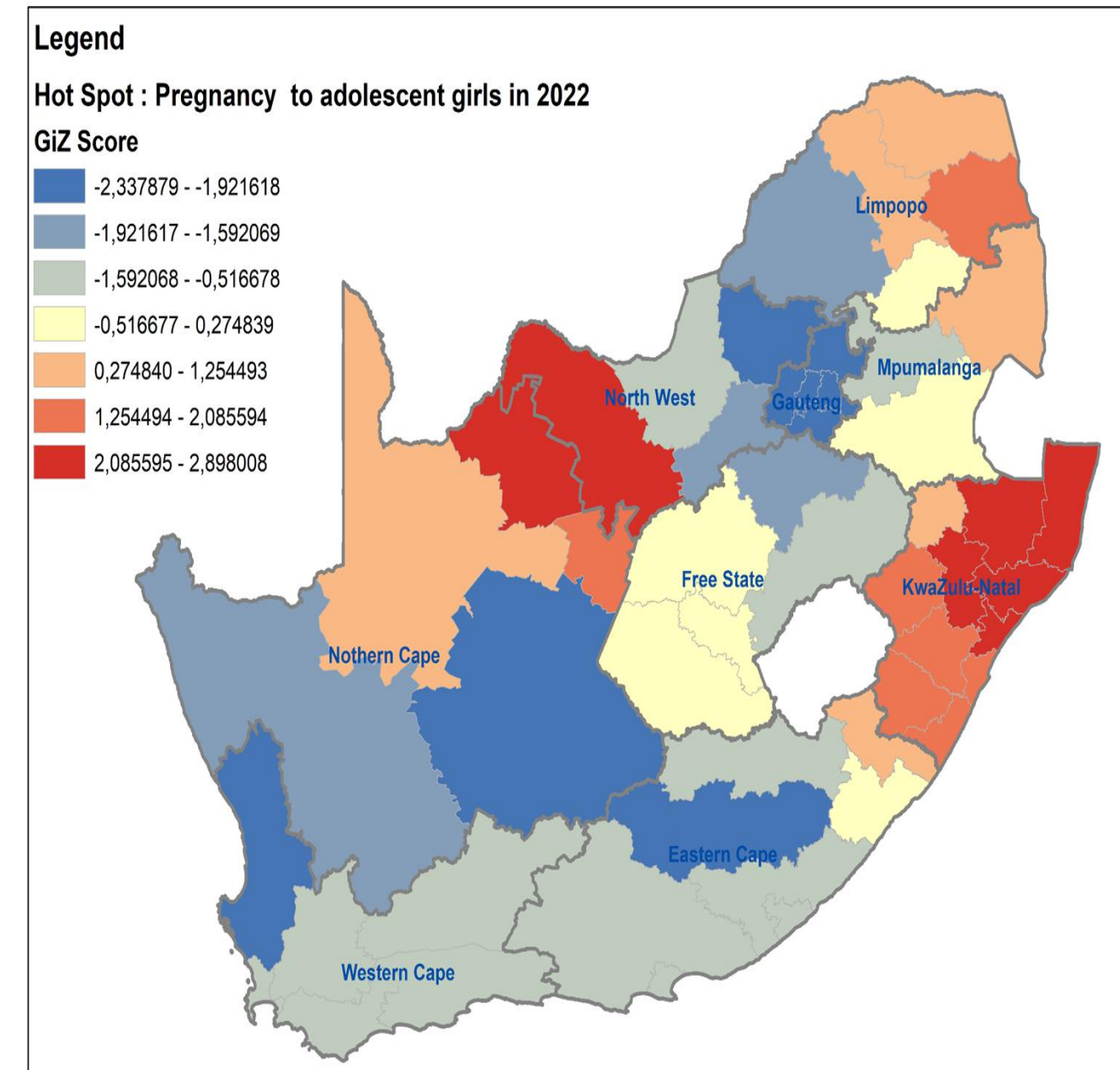
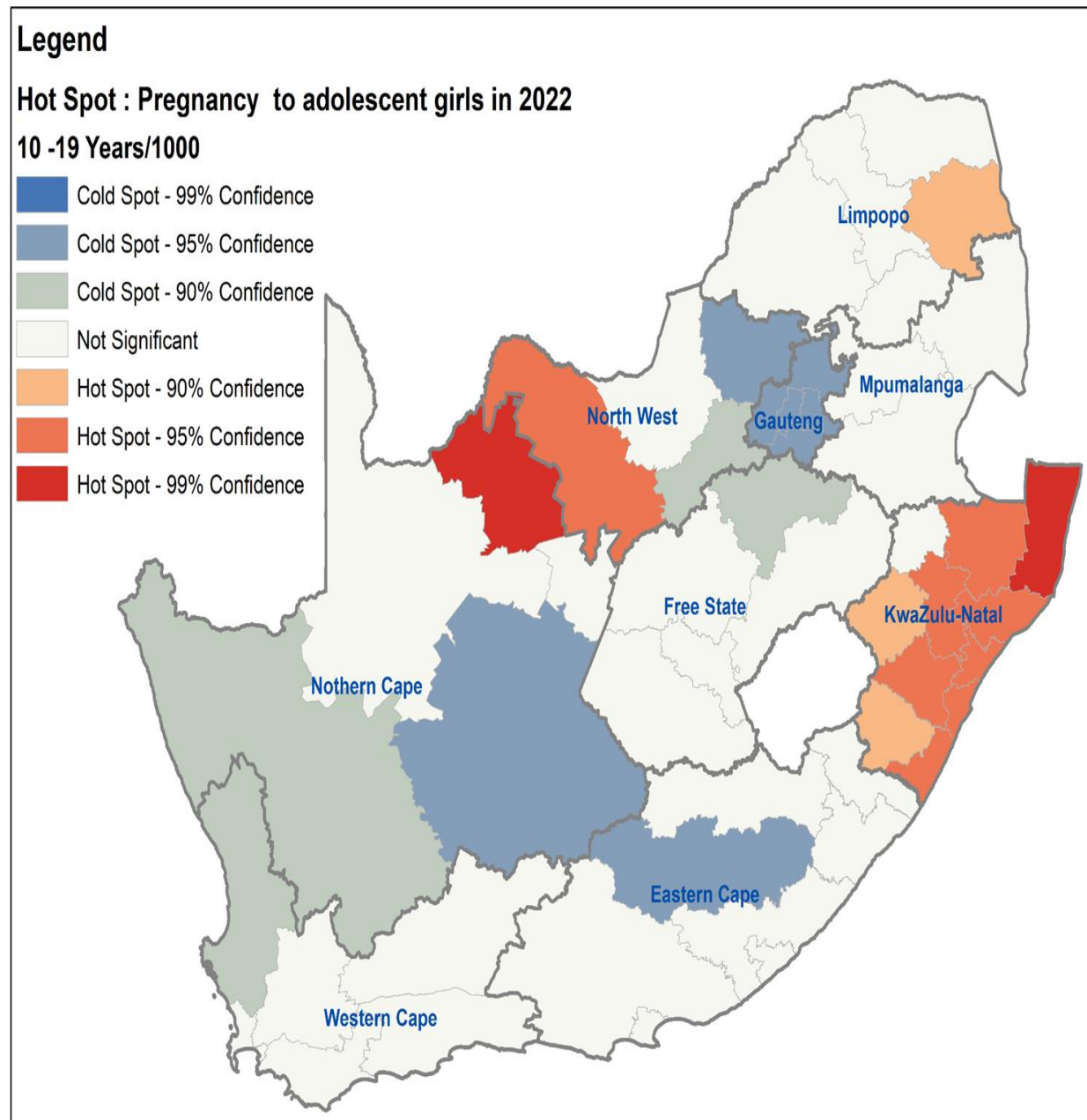
Intimate partner violence continues to undermine gender equality in Botswana, with over one-third of women affected. Community-driven efforts are critical to challenging harmful norms, preventing violence, and supporting survivors.



HOTSPOT ANALYSIS OF TEENAGE PREGNANCY IN SOUTH AFRICA

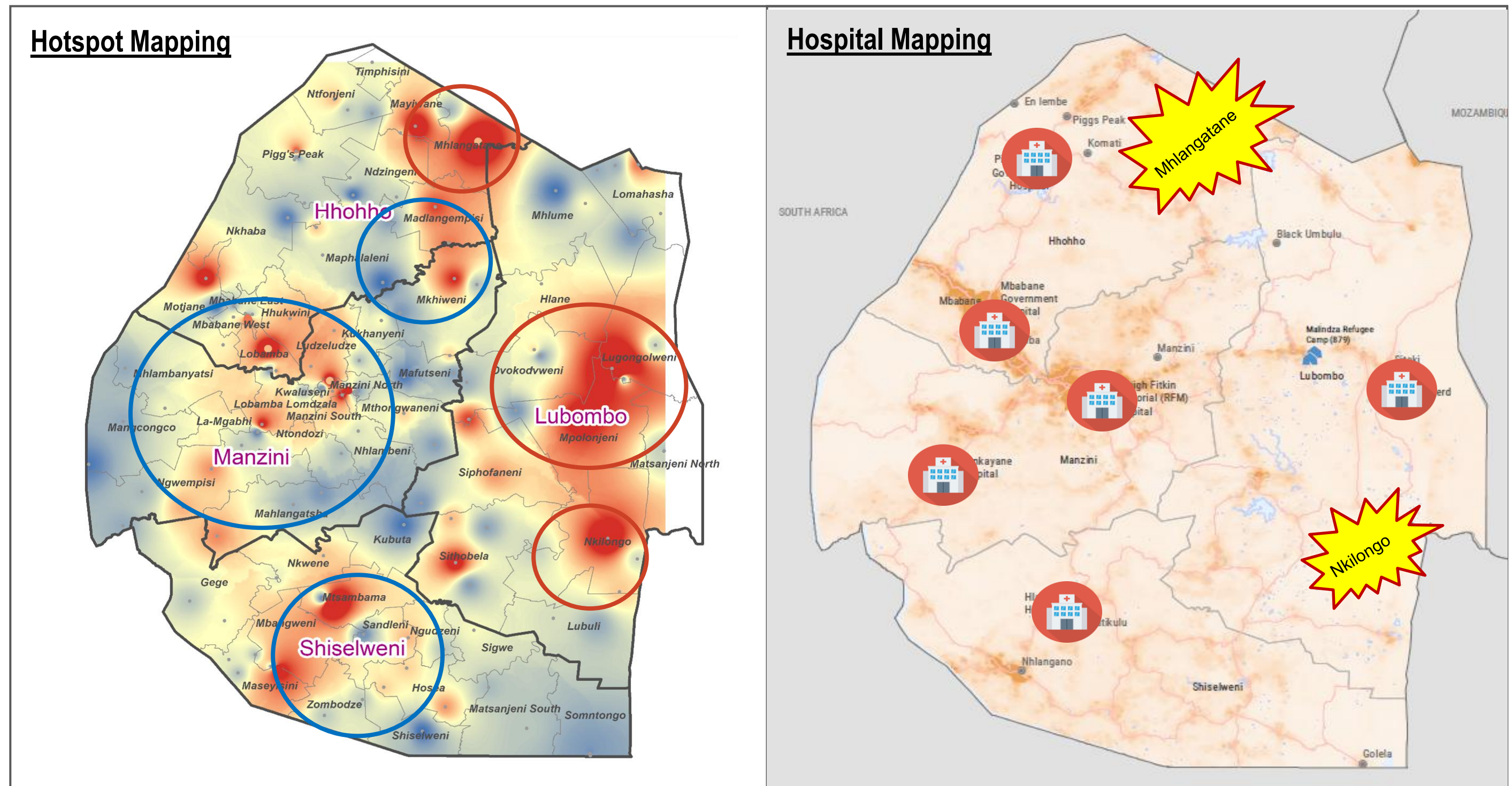
Localized data is essential to addressing inequalities effectively. In South Africa, for instance, hotspot mapping of teenage pregnancy revealed significant discrepancies between national and district-level data, underscoring the importance of community-level interventions.

HOTSPOTS OF TEENAGE PREGNANCY RATE PER 1,000 DISTRICT IN 2022



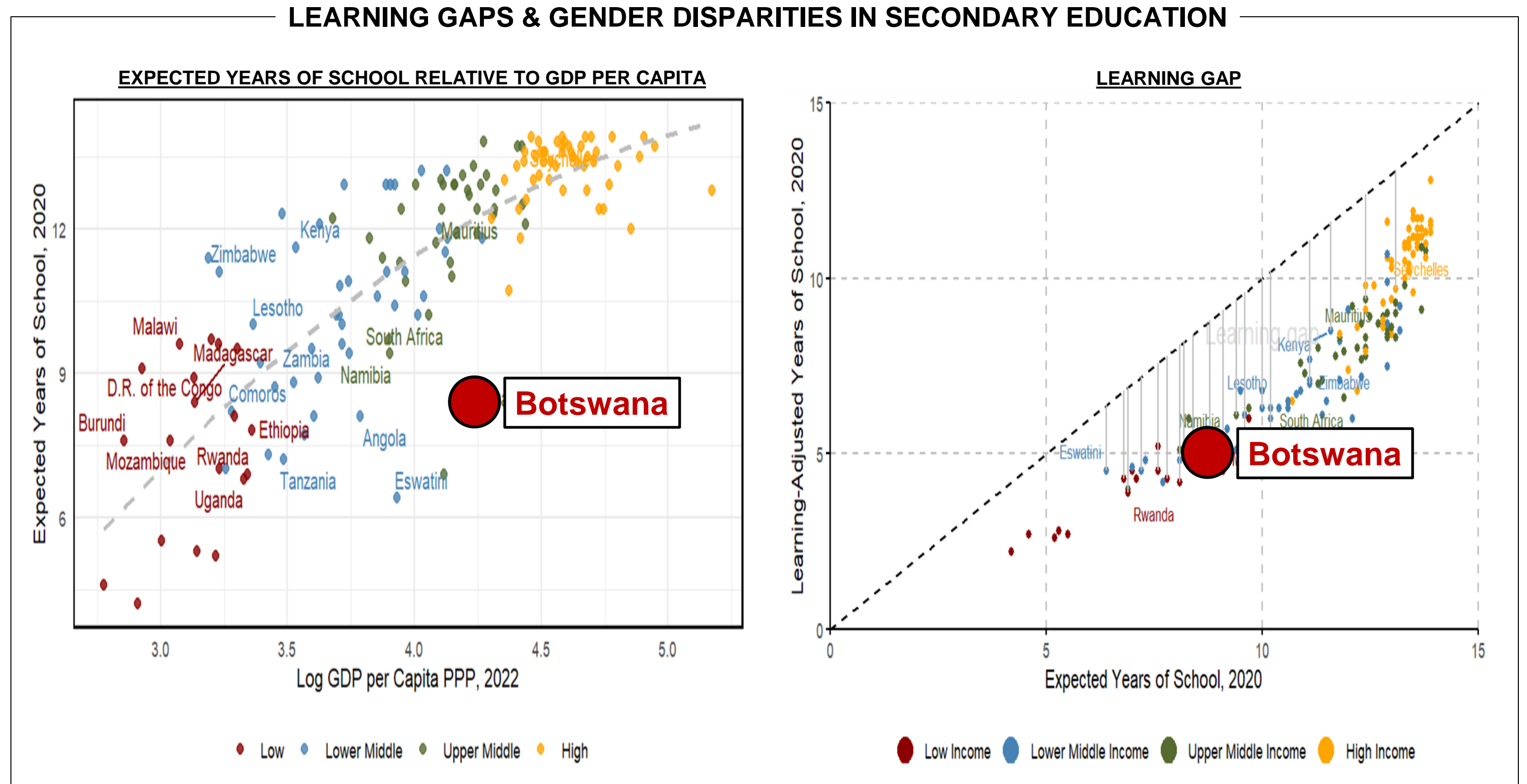
HOTSPOT & HOSPITAL MAPPING FOR TEEN PREGNANCY IN ESWATINI

Similar trends in Eswatini revealed that teen pregnancy hotspots often lack nearby hospitals, limiting access to SRH services. This highlights the urgent need for mobile clinics and outreach programs to bridge critical service gaps.



EDUCATIONAL DISPARITIES & LEARNING GAPS

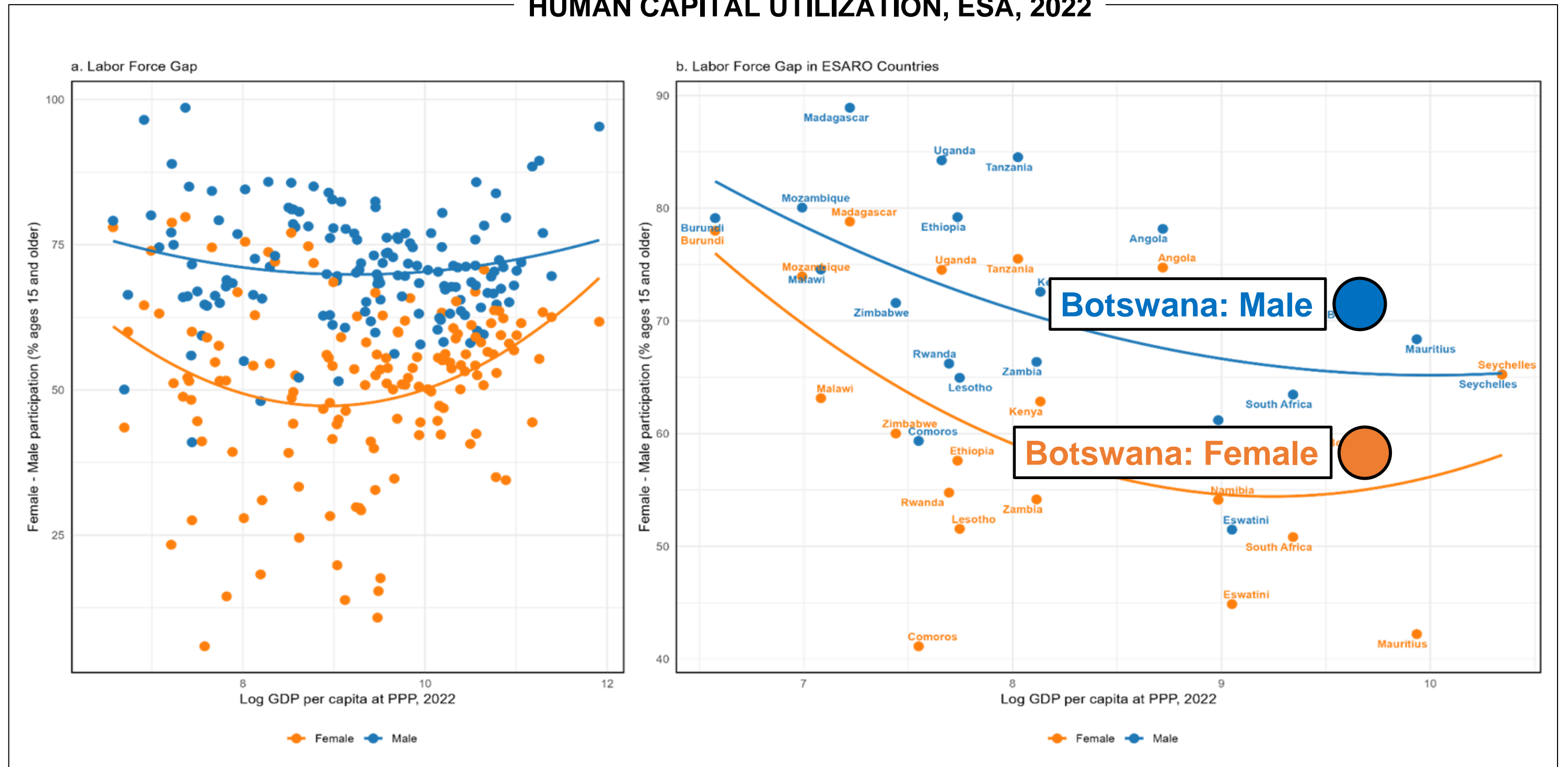
In Botswana, relatively high school enrollment rates mask persistent learning gaps that limit educational outcomes. These gaps underscore the need for policies that improve the quality and relevance of education, ensuring better learning achievements for all students.



UNDERUTILIZATION OF WOMEN'S HUMAN CAPITAL

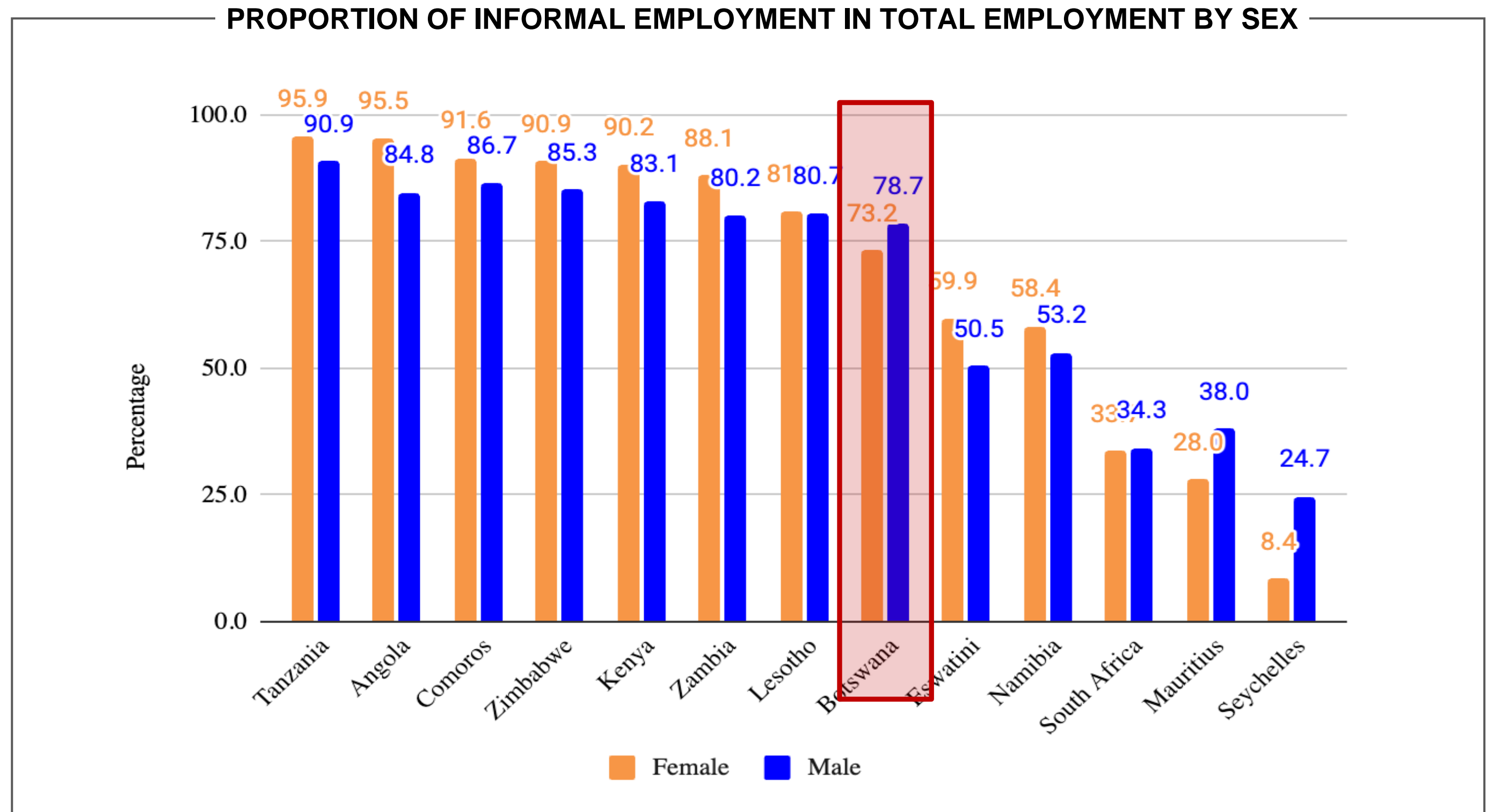
Despite gains in education, significant gender gaps persist in labor force participation. Underutilization of women's human capital limits economic potential, highlighting the need for policies that address social norms and promote equitable workforce opportunities.

HUMAN CAPITAL UTILIZATION, ESA, 2022



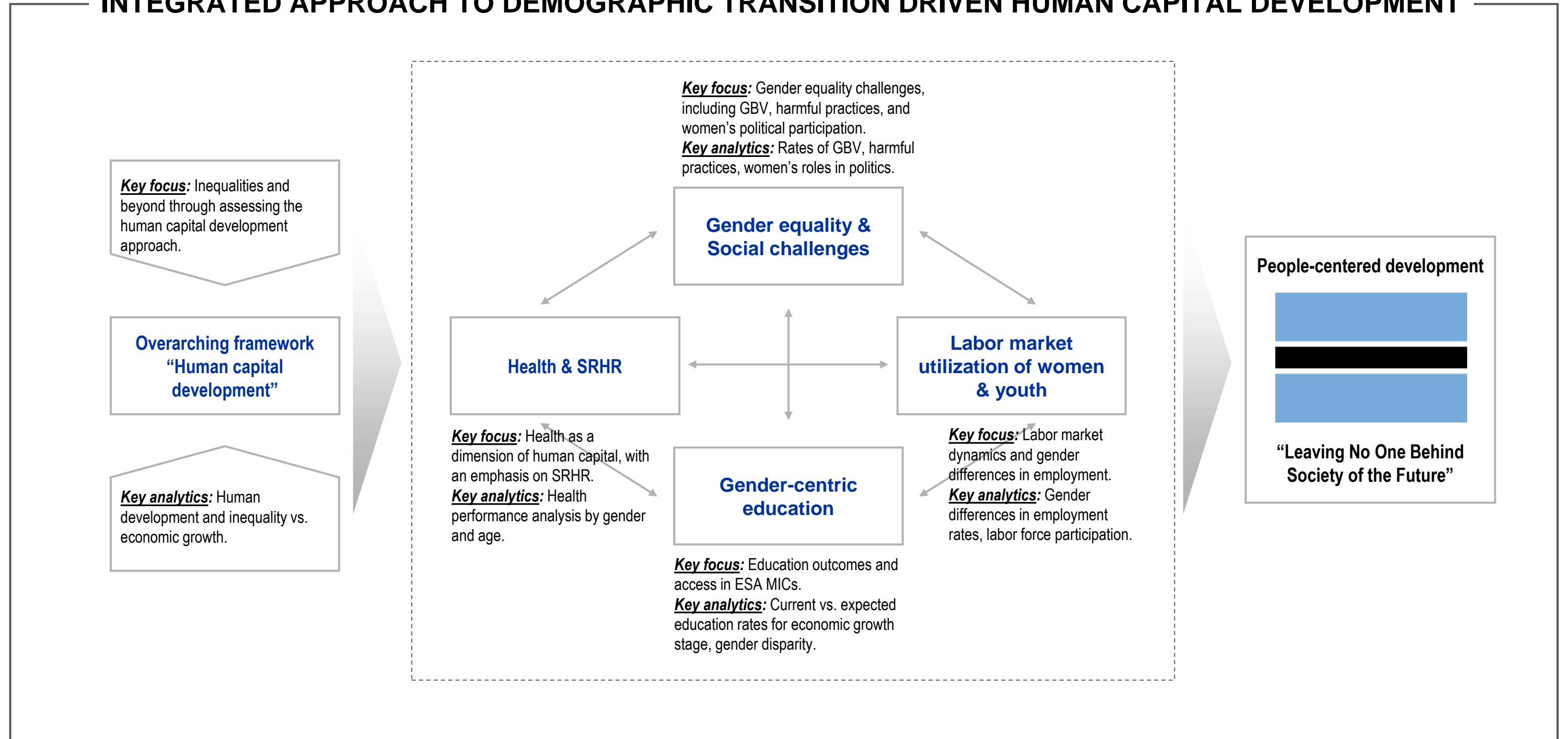
INFORMAL EMPLOYMENT IN LABOUR MARKETS

High levels of informal employment in Botswana—nearly 80% of men and over 70% of women—further constrain economic opportunities. Policies promoting formal employment and job security, especially for women, are essential to unlocking inclusive growth.



Ultimately, unlocking Botswana’s full human capital potential requires an integrated, people-centered approach. Addressing multidimensional inequalities, investing in gender-centric education, empowering youth, and leveraging demographic diversity will pave the way for inclusive growth.

INTEGRATED APPROACH TO DEMOGRAPHIC TRANSITION DRIVEN HUMAN CAPITAL DEVELOPMENT





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THANK YOU

