CITIZEN ECONOMIC EMPOWERMENT
IN BOTSWANA
Concepts & Principles

By
Abdalla Gergis
Senior Research Fellow

BIDPA Working Paper No. 22
July, 1999
ABSTRACT

This paper attempts to clarify the concepts and principles of citizen economic empowerment. Empowerment has been at the centre of a shift in thinking about economic development as a response to the failure of modernisation and trickle down economics. To be empowered, it is important to be aware of one’s own capabilities and creative energies. Empowerment is as much about taking charge of the process of making decisions, as it is about the achievement of empowerment goals. Government, therefore, should not impose empowerment from above, because empowerment has to be an objective the individual must strive to achieve. There is a difference between entitlements (hand-outs) and empowerment. International experience shows that entitlements create dependency. In discussing who needs to be empowered, the paper argues for the empowerment of those who are disempowered, including the disabled, children, the elderly, women, the poor, and the unemployed. Because education and training are fundamental to citizen economic empowerment, they should be reformed to promote creativity and competitiveness. Finally, the paper provides a definition and an operational strategy for achieving citizen economic empowerment in Botswana.

Keywords
Economic Policy
Development Strategy
Social Participation
Disadvantaged Groups

CITIZEN ECONOMIC EMPOWERMENT
IN BOTSWANA

Concepts & Principles

By
Abdalla Gergis
Senior Research Fellow

BIDPA Working Paper No. 22
July, 1999

The views expressed in this paper are those of the author alone and not of BIDPA

1 Botswana Institute for Development Policy Analysis (BIDPA) is an independent trust set up by a Presidential Decree. It started operations in 1995 as a non-government policy research institution.
## TABLE OF CONTENTS

1. INTRODUCTION .................................................................................................................. 3
2. WHAT IS EMPOWERMENT? .................................................................................................. 4
   EMPOWERMENT DEFINED ................................................................................................. 5
3. THE RATIONALE FOR EMPOWERMENT ........................................................................... 7
4. ENTITLEMENT OR EMPOWERMENT? ............................................................................... 9
5. ECONOMIC EMPOWERMENT FOR WHOM? .................................................................... 12
6. EDUCATION AND EMPOWERMENT ............................................................................... 13
7. CONCLUDING REMARKS ................................................................................................. 14
8. REFERENCES .................................................................................................................... 17
CITIZEN ECONOMIC EMPOWERMENT IN BOTSWANA

Concepts and Principles

1. INTRODUCTION

1. In the 1990s, there has been a new paradigm shift in development thinking. Empowerment has been at the center of this paradigm shift and the attempt to re-conceptualize development and development strategies aimed at poverty alleviation, particularly in the rural areas. In line with this new thinking, the Human Development Report [UNDP 1993:1] states that “development must be woven around people, not people around development – and it should empower individuals and groups, rather than dis-empower them”. This rethinking has been brought about by the fact that despite decades of development assistance accompanied by growth in some instances, the number of people who are in absolute poverty continues to increase.

2. Empowerment, therefore, is seen as a response to the failure of modernization and “trickle down” economics of the 1970s and the 1980s, and the widespread perception of the State’s inability to intervene successfully on behalf of the poor or other disempowered groups in the society.

3. In Botswana, economic empowerment has been understood to mean a set of policies or programs designed to benefit a specific segment of the society; the Batswana. There is a widespread perception or belief that citizens are disempowered by temporary residents from other countries who command more economic power in business in the form of investment, higher technical skills and entrepreneurship. Thus some interpret the concept of citizen economic environment to mean the creation of an indigenous business elite to rival the more successful foreign business interests within Botswana. Others understand it as acquiring certain exemptions from some business rules or obligations, such as the expo-

---

2 This paper was prepared to be presented at the National Conference on Citizen Economic Empowerment (July 5-7, 1999), Gaborone, Botswana.
Citizen Economic Empowerment in Botswana

sure to competition, the provision of security on loans, and even the protection against legal action arising from non-fulfillment of contractual obligations. For many others, it means the entitlement to a share in a Government-owned company or a public asset. These interpretations of citizen empowerment have created a sense of concern among policy makers in Botswana.

4. Clearly, there has been no common understanding of the empowerment concept among the various stakeholders in Botswana. Furthermore, the above interpretations of citizen economic empowerment diverge significantly from the conventional definition that has been adopted in the development literature as will be seen below.

5. This paper gives an overview of the concept of empowerment and suggests some broad principles around which an operational strategy for citizen economic empowerment in Botswana could be developed.

2. WHAT IS EMPOWERMENT?

6. Perhaps, we should try to understand the process by which a person feels empowered before exploring the formal definition of empowerment. A story I read recently may help clarify the point [Singh et al, 1995].

There was a street performer who used to earn his living by entertaining people with the help of an able disciple. They performed very skillful acrobatics. The joy people got on seeing their performance was not just because the performers were very skilled; it was largely because they were involved, as spectators, in the act. The onlookers were part of the performance in that sense.

One day a thief was passing by. He saw the performance and was greatly impressed with the skills of the performers, particularly the disciple’s. The disciple’s body was very supple and he could endure a lot of pain. The thief thought that if he could lure the disciple and make him an accomplice, he could break into big houses, jump over big walls, and amass a lot of wealth. After observing the performance a few times, he approached the disciple and asked him to join him. The thief promised the disciple an attractive share in the loot. The disciple agreed.

One day after a lot of planning, both of them went to loot a big mansion with tall walls. The idea was that the disciple would climb the wall, jump into the compound and then open the gate from inside so that the thief could come in. They thought this way they could perhaps carry away a
large amount of loot without making much noise and attracting attention.

On the appointed day, both of them went to the mansion which was to be looted. The disciple started losing his nerve. The thief exhorted him to climb because he had performed much harder tasks in the past. After a lot goading, the disciple climbed the wall. The thief asked him to jump down. But the disciple would just not do it. The thief implored him, tried to shame him, pestered him, but to no avail. The disciple finally asked him to clap if he wanted him to jump. After all, had his master not made the spectators clap whenever he had to perform a difficult act?

7. The disciple was empowered by the claps of the spectators. He did not realize that the power was within him and not in the hands of the spectators. But so had he been trained. This is the crux of the matter. How do we ensure that people's performance becomes endogenous and does not depend on “external clappers”? How do we make Batswana aware of their own capabilities and creative energies?

8. Let us now turn to a more formal discussion of the empowerment concept.

**Empowerment Defined**

9. In the New Webster's Dictionary, the verb “to empower” is defined as “to give power to”, or “to enable” someone.

10. Empowerment, however, is a complex and often misunderstood concept. It is located within the discourse of community development and is connected to concepts of self-help, participation, networking and equity. While it has acquired a considerable aura of “respectability”, even “social status” within the vocabulary of development, it has not yet acquired a socially agreed content. It is also one of those concepts whose full implications people do not realize when they use it.

11. Within the development community, empowerment has been used to refer to the following:

- Popular participation, a concept that has gained increased popularity within the development agenda;
Citizen Economic Empowerment in Botswana

- Promotion of community development through self-help with emphasis on the process, rather than on the outcome of particular development projects;

- Transformation of economies into self-reliant, endogenously developed communities; and

- Good Governance, legitimacy and creativity for a flourishing private sector.

12. The concept of empowerment has evolved within the development discourse. It has dethroned the term “participation”, which lost some of its currency since the 1980s. Empowerment came into vogue in response to the situation where people could “participate” in a project without having the power to decide on the critical issues related to the project. However, empowerment appears to mean different things to different people.

13. According to Rappaport [1987], “empowerment conveys both a psychological sense of personal control or influence and a concern with actual social influence, political power and legal rights”. McArdle [1989] defines empowerment as “the process whereby decisions are made by people who have to bear the consequences of those decisions”. This implies that it is not the achievement of goals, as much as the process of deciding that is important. However, people who have achieved collective goals through self-help are empowered, as they have through their own efforts and by pooling their knowledge, skills and other resources achieved their goals without recourse to an external dependency relationship.

14. Most perspectives on empowerment emphasize the need to build capacity in societies to respond to the changing economic and political environment. For example, following its establishment in September 1998, the Black Economic Empowerment Commission (BEEC) of South Africa has defined Black Economic Empowerment as “an integrated and coherent socio-economic process, located in the context of national transformation that is aimed to redressing the imbalances of the past” [Enterprise, 1999]. This definition of economic empowerment encompasses several aspects of the empowerment concept as defined above. The stated objective of Black Economic Empowerment (BEEC) is to ensure broader and more meaningful citizen participation in the development process in South Africa in order to achieve sustainable development, growth and prosperity.

15. The fundamental goal of empowerment is to help individuals within the society to improve the quality of their own lives and share equitably in
the benefits of economic growth. Growth that depends on constant infusions of grants or subsidized financing from government or other donors is inherently unsustainable. Empowerment is about helping people unleash their creative and productive energies to achieve sustainable growth and continuous improvement in their living standards.

16. More generally, empowerment means engaging the relevant stakeholders in a given process by applying the principles of inclusiveness, transparency and accountability. As such, the empowerment concept goes beyond the notions of democracy, human rights and participation, to include enabling people to understand the reality of their environment (social, economic, political, ecological and cultural) and to take the necessary actions to improve their well-being.

17. To empower means either to strengthen one’s belief in his (her) self-efficacy or to weaken one’s belief in personal powerlessness. Therefore, any real empowerment must be “self-empowerment”. There must be an internal urge to influence and control [Conger and Kanungo, 1988]. People are empowered when they feel an enhancement of their abilities to control, influence or cope with their social or economic roles.

18. The motivational dimension of empowerment involves various factors:

- First, people will not be empowered if they do not want to be. They have to be motivated intrinsically; they have to believe in the merits and prospects of empowerment.

- Second, empowerment is about creating the conditions conducive to enhancing motivation to perform by developing the person’s sense of self-determination and enhancing his (her) belief in self-efficacy.

- Third, empowerment entails providing the individual with the ability to perform – the necessary skills, knowledge, and so on. It also entails giving a fair opportunity to perform.

3. THE RATIONALE FOR EMPOWERMENT

19. As indicated above, the concept of empowerment goes one step further than participation because people can participate in a given process without having the power to make critical decisions related to the activity or process they are involved in. What remains ambiguous in most discussions of empowerment is the question of self-reliance. How much
must people do for themselves? The achievement of personal goals may require at least the following [Onyx and Benton, 1995]:

- Identification of need;
- Identification of options or strategies;
- Decision or choice of action;
- Mobilization of resources; and
- The action itself.

20. At one extreme, the conservative use of empowerment may be restricted to situations of total self-help. According to this view, empowerment requires that all the above steps be completed by the participants themselves, with minimal outside intervention (or material support).

21. At the other extreme is the view that the only thing required for empowerment to occur is participation in decision-making. In terms of the steps required to achieve a personal goal, empowerment might mean consultation with the person or the community in the identification of needs, and over the choice of options. Everything else is done on behalf of the 'empowered' person by other professional persons. This kind of approach to empowerment attracts the critique of tokenism. Such an approach fails to recognize that as long as others who have access to resources control the process, then the process is actually disempowering.

22. Empowerment is supposed to bring closer those who hold power and those who are powerless. Empowerment moves the powerless into positions of power and makes those at the higher levels of power accept sharing power with them.

23. Because empowerment lies at the center of power relations, it presents a challenge to holders of power. Faced with this challenge, the power-holders tend to dress it in a way that will diminish its threatening implications. For those who hold power, the fear of losing power reduces empowerment to mean the management of power.

24. Essentially, there are two types of power-holders in any socio-economic system:

- Those who hold the power of wealth or property; and
Citizen Economic Empowerment in Botswana

- Those who hold the power of knowledge (the intellectuals).

25. This gives rise to alternative views of empowerment in developing countries. There is the view that in the third world the elite appropriate wealth for themselves by monopolizing power at the political level (dictatorship, one party rule, etc.) and through corruption at the administrative level. This implies the need to empower people at the grassroots (perhaps by breaking the monopoly of the government economic power through encouraging small business enterprises and making government more accountable to the people) in order to create enabling conditions for a more equitable distribution of wealth and productive assets among citizens.

26. The holders of the power of knowledge advance the view that both the market and the State have failed to provide for the poor or the powerless. Therefore, what is needed is new ideas and new leadership from the civil society to find a third alternative to capitalism and socialism. Following the demise of the socialist system, some started talking about giving a ‘human face’ to capitalism.

27. There is a common feature between the above two views of empowerment; that is, power is to be given by those who have it to those who do not. As the powerful are not likely to be willing to give up power easily, they will attempt to appear as conceding power only to be able to manage the powerless. This means that the powerless must strive to empower themselves, rather than wait for the powerful to empower them.

4. ENTITLEMENT OR EMPOWERMENT?

28. In the minds of some, economic empowerment implies entitlement to a share of wealth or income. However, international experience suggests that entitlements (handouts) do not breed economic empowerment. Entitlements create a dependency attitude, undermine the power of positive thinking of one’s own ability and nurture the feeling of helplessness and being disempowered. Intrinsic motives (sometimes supported by external incentives) to make a better living and exploiting opportunities for doing business are more powerful tools that unleash potential human powers and the drive to succeed.

29. For those who do achieve success, many are propelled by perseverance and a bit of luck. The following quotation from CNN News (27-04-1999) of a real life story from South Africa is a case in point:
Peggy-Sue Khumalo, the illegitimate daughter of a black maid and a white farm boy, grew up poor, but has a can-do attitude that is typical of her peers. After graduating from high school, she worked as a waitress in Johannesburg to pay her way through college.

There, she competed in a local beauty pageant and won, then went on to capture the 1996 Miss South Africa pageant. While she held the crown, Khumalo joined a public relations company. She works about 12 hours a day and is now the firm's executive director.

Her message to her fellow black South Africans is: “Do not whine. Do not expect handouts. Lift yourself up”.

We came from poor families. So what? Our parents did not have an education. So what? She says. The black people of this country have really suffered, but some of us have broken barriers.

“If I can do it, anybody can do it”.

30. Government, therefore, cannot (and should not) impose empowerment from above. Empowerment has to be an objective the individual must strive to achieve. Government can (and should) ensure equal access to economic opportunities, but it is up to each citizen to take advantage of them or to ignore them. Grabbing hands for too long create dependency and kill the drive to do things on one’s own. It must be recognized, however, that although equal opportunities can be created for citizens, equal outcomes cannot be guaranteed because people respond differently to the same incentives.

31. For groups or communities to be empowered, they must adopt a more collective and more political stance towards external change agents, and they must use that empowerment to challenge the conditions under which development takes place [Gounden and Merrifield, 1994]. In that sense, empowerment can be said to involve three kinds of power [Friedman, 1992]:

- **Social power**, which is concerned with access to productive skills, material goods and information.

- **Political power**, which concerns the involvement of individuals in the decision making processes which affect their lives. Political power is not limited to formal elections, but through collective actions the interests of those organized may be promoted in the absence of, or in addition to, any formal political process.
• **Psychological power**, which describes the individual's sense of potency, to what extent the person believes that he (she) is able to influence the situation around him (her).

32. Psychological empowerment is often the product of social and/or political power, but it cannot be reduced to either. In fact, *lack of psychological empowerment will render all other forms of empowerment ineffective*. Psychological empowerment is, therefore, a necessary (but not sufficient) condition for economic empowerment.

33. Economic empowerment of citizens means that disempowered Batswana take responsibility for their own material gains on an on-going basis and become managers of their own development. As citizens gain awareness and self-confidence, they realize that they can be self-reliant in pursuing their own economic dreams. Citizen empowerment is a process of validation and encouragement. This means providing incentives and opportunities for making business. It does not mean, however, that citizens should be shielded from the consequences of making economic decisions. Nor should it create price distortions and increase inefficiency in the economy.

34. The overriding objective of citizen economic empowerment should be the expansion of income (and employment) generating activities for as many Batswana as possible, without sacrificing efficiency. It is assumed that this has been the goal of empowerment-driven Government schemes, such as the Financial Assistance Program (FAP), the special Credit Scheme for Micro, Small and Medium Enterprises, the Local Procurement Program, Reservation Policy, to mention only a few.

35. More generally, economic empowerment strategies include six main categories:

- *Financial intervention* to assist local business activities (increased access to credit);

- *Enterprise development* for citizens (increased access to skills, business and management training and improved production technologies);

- *Marketing strategies* for locally produced goods and services (increased access to markets);

- *Bargaining strategies* (for higher wages, better working conditions, etc.) for citizen employees;
Citizen Economic Empowerment in Botswana

- *Job creation* (promotion of labour intensive projects); and
- *Training and Education* that is responsive to skill requirements in the economy.

5. ECONOMIC EMPOWERMENT FOR WHOM?

36. The Long Term Vision for Botswana (Vision 2016) states that "there is a challenge to find concrete strategies to ensure citizen empowerment, and to maximize the participation of citizen-owned companies in the economy". This implies that not every citizen can be empowered. The question then arises of who needs to be empowered and how to empower them.

37. The most obvious candidates for empowerment among the citizens of Botswana are the disabled, the children, the elderly, women, the poor, the unemployed, and even the environment, which has been degraded by human actions. Each of those candidates is either inherently powerless (the children, the elderly and the disabled) or have been disempowered by a higher authority or circumstance (women, the poor, racial minorities, and the environment).

38. To design an economic empowerment strategy, it is necessary to first identify the individuals or groups that need to be empowered and then to understand the source of their disempowerment. A strategy to empower the private sector, for example, will necessarily be different from a strategy to empower women.

39. The National Development Plan 8 (NDP8) explains that the empowerment of the private sector has two objectives. First, to give more scope for the private sector to expand, develop managerial skills and increase its competitive capacity at least regionally. Second, to enable Government itself to obtain goods and services at competitive market prices. In that regard, privatization can be an important instrument for private sector development.

40. Privatization empowers the private sector against the public sector. The rule of markets takes the lead over Government regulations, which should only focus on protecting the public interest. Because privatization involves the transfer of ownership and/or control of economic activities from Government to the private sector, it can provide many opportunities for citizen economic empowerment.
If we look around in the Botswana society today, it is obvious that most women in general and especially poor women in the rural areas are enclosed and brought up in the culture of silence. Women are treated like second class citizens. They have no control over resources; be it physical resources (like real assets, land, water, and forests); intellectual resources (knowledge, information, and ideas); financial resources (money, access to credit); and the self (that unique combination of intelligence, creativity, self-esteem and confidence). Nor do they have control over ideology, which means the ability to determine beliefs, values, attitudes, and ways of thinking and perceiving situations. Although some progress has been made in empowering women, these adverse conditions need to be corrected. It should also be noted that control over resources and ideology are so inseparably linked together that the loss of control over them leads to a vicious circle of more powerlessness within the individual and so within a group of individuals [Batliwala, 1993].

While economic empowerment of any powerless group in the society requires identifying that group, then designing a strategy to get members of the group involved in identifying their needs and finding ways that would enable them to take control of their own lives, education can and should play a crucial role in economic empowerment of all citizens.

6. EDUCATION AND EMPOWERMENT

Education and training are fundamental tools of empowerment. They provide the poor and the disadvantaged with the means to increase their productivity and income earning power. Education and training can enhance the bargaining power of the poor; foster assertiveness and self-confidence; promote greater awareness of legal and social rights; and improve access to and use of economic resources such as jobs, land, credit, and information. However, formal education as it is currently planned and practised does not enable and enhance the capabilities of the poor as much as it might. Rather, it is a shaky vehicle for the structural changes in the socio-economic and political environments that are crucial in enabling poor citizens to participate in their own development.

Education and training policies must be geared towards transformation and structural adjustments of the economy. Non-formal education, vocational training, on the job training and other educational derivatives should be advanced as the vehicles that enable people to develop skills and capacities, which increase their control over decisions, resources and structures affecting their lives. In this way, education creates conditions for full and equal participation of people in discussions and decisions, and at the same time empowers all people to act for change – to see
themselves as creators of culture, history, and an alternative social vision [Arnold et al. 1991].

45. Education and training must be adaptive to the process of globalization. *Education and training goals must be redefined to promote creativity and competitiveness.* The education and training system should be forward-looking and should ensure a closer match between the learning which goes on in the classroom and the exigencies of rural and urban livelihoods. A shift needs to take place: in approach, from teaching to learning; in the parameters of learning, from the confines of the classroom or training centre to the elements of socio-cultural, political, and environmental contexts; and in method, from responsive (or worse, passive) to provocative and participatory.

46. To date, the majority of citizens in Botswana have not had the opportunity to acquire business skills in the selection of investments, nor do they have access to credit that would enable them to participate in equity investment or use borrowed money to start or expand their own business. In these circumstances, some education or training on sound investment practices is needed. For example, more emphasis could be given to develop and expand the scope of business subjects in secondary schools as recommended in the SMME policy paper. Such schemes require high standards and will not encourage a culture of entitlements and dependency on the State. Entrepreneurial initiatives must be promoted, keeping in mind that entrepreneurial spirits can only thrive in a competitive, not a protective environment. In this regard, private sector companies should be induced to play a more active role in empowering Batswana, especially through training. *Citizen empowerment should be the business of every Motswana, not just Government institutions.*

7. CONCLUDING REMARKS

47. The route to empowerment is through involvement, accompaniment and active participation. This requires the strengthening of the meaning and reality of principles of inclusiveness (i.e., engaging the relevant stakeholders in a process of change), transparency and accountability, which gives legitimacy to any process or decisions reached. The stakeholders in the empowerment process include Government, planners and policy makers, private sector organizations and other elements of the civil society at the international, national, and local levels. Effective empowerment requires multi-lateral communications and two-way power relations among the stakeholders.
48. As an attempt to find a commonly agreed definition, citizen economic empowerment may be defined as follows:

49. Citizen Economic Empowerment is a socio-economic process through which Batswana are motivated to enhance their belief in self-efficacy, to improve their abilities to control their own resources, and to unleash their creative and productive energies to achieve sustainable improvement in their living standards. This will be achieved by improving citizens' technical skills, their knowledge and their abilities to adopt modern business management techniques.

50. In proposing an operational strategy for citizen economic empowerment, it is perhaps important to note that strategies for empowerment should always be based on a clear understanding of who holds the power and who are the disempowered. Some of the underlying principles raised in this paper which must inform an operational strategy for citizen economic empowerment are:

1) Citizen economic empowerment process cannot be isolated from global economic and political shifts. Global competitiveness and WTO rules must be kept in mind.

2) Empowerment schemes should not undermine economic efficiency, nor should they strangle the economy by introducing more regulations.

3) Economic empowerment cannot be imposed from above. It has to be grounded at the grassroots.

4) Self-empowerment is the core of any real empowerment.

5) Entitlements do not breed empowerment, providing incentives to make a better living and opportunities for doing business are more powerful tools.

6) Over-protection and excessive handholding does not lead to empowerment. Empowerment flourishes in a more competitive and less regulated business environment.

7) Empowerment schemes and rules must be transparent.

8) Citizenship does not convey the right to be shielded from the consequences of making economic decisions.
9) Creating new jobs leads to more citizen economic empowerment than providing preferential treatment for citizens in filling existing jobs.

10) Education is a fundamental empowerment tool. Therefore, the role of education and training has to be emphasized.
8. REFERENCES


The Economist (1999), “South Africa has embraced black economic empowerment. It is not working”, April 17th, pp. 77-78.


This work is licensed under a Creative Commons Attribution – NonCommercial - NoDerivs 3.0 License.

To view a copy of the license please see: http://creativecommons.org/licenses/by-nc-nd/3.0/