BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?

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ABSTRACT

Botswana is a country known for being the world’s largest producer of diamonds in value. The product contributes substantially to the country’s GDP and revenues. It is the major single export of Botswana. However, diamond is a non-renewable natural resource. This article is intended to establish whether Botswana has any comparative advantage in other products other than diamonds in order to have sustainable development beyond mining of diamonds.

Keywords: Comparative advantage, Botswana after diamonds

1.1 INTRODUCTION

Botswana was a dusty poor country in early 1960s with heavy reliance on subsistence agriculture. The country was relatively unknown then. However the fortunes of Botswana changed with the discovery of diamonds. Botswana is situated in Southern Africa. It is a founder member and hosts the headquarters of the Southern African Development Community (SADC). On the political front, Botswana was one of the frontline states which contributed a lot towards the attainment of independence in Zimbabwe, Namibia and South Africa. It sheltered refugees from Rhodesia, South Africa and South West Africa. It was often raided by apartheid regime from South Africa. It is also a member of Southern Africa Customs Union (SACU) and the Commonwealth. With the new found wealth of Botswana through mining diamonds, this paper explores whether Botswana will be able to sustain development after the diamonds have been exhausted.

1.2 DISCOVERY OF DIAMOND AND ITS IMPACT ON BOTSWANA’S ECONOMY

DeBeers a South African company discovered diamonds in the late 1960s in Orapa (US State Department, 2011; Botswana Diamonds, 2011). Then a joint venture company was created by DeBeers and the government of Botswana. They created the Debswana Company on 50-50
joint venture. The first mine was operational at Orapa in 1972 (Botswana Diamonds, 2011; Mbendi, 2011; US State Department, 2011). The diamond mining has been to a greater extent a single entity which has transformed Botswana from being agricultural economy in the 1960s to a relatively prosperous country which has consistently achieved the highest economic growth rates in the World (Mbendi, 2011; Mohohlo, 2011). Currently one half of the people of Botswana reside in the rural areas practising subsistence cropping and livestock farming. However, agriculture is not an important sector like in other Sub Saharan Africa. That means Botswana cannot feed itself as agriculture contributes a small portion to food requirements and further only contributes 2.3% of GDP arising from beef exports (US Department, 2011)

Debswana is the global largest diamond producer in terms of value since 1980s. It currently operates mines in Jwaneng, Orapa, Lelakakane and Damshahaa. Debswana uses open pit mining methods (Mbendi, 2007; US State Department, 2011). Debaswana produce polished diamonds (Botswana Diamonds, 2011). Debswana is Botswana’s largest employer (non-governmental), contributes 70% of the country’s exports earnings, contributes 30% of GDP and is a source of 50% of government revenues (Mbendi, 2011). However, according to US State Department (2011) employment levels in the mines are limited due to heavily use of mechanization. DeBeers has helped to build infrastructure such as roads, hospitals and schools in Botswana(Botswana Diamonds, 2011).

In May 2006, DeBeers and the government of Botswana established another joint venture on 50:50 basis known as DTC Botswana. This joint venture is responsible for making aggregated diamonds for sale in domestic manufacturing (Mbendi, 2011).

The role played by diamonds in development of Botswana can be seen in all angles as self evident (Mohohlo, 2011). Diamond mining operations will continue to play significant role in Botswana’s economy with current known reserves enough to last next 20 years (US State Department, 2011). The question is what will happen to Botswana when this non-renewable resource is exhausted and there are no further discoveries? This paper attempts to establish whether Botswana has comparative advantage in other products which may take over and maintain prosperity of Botswana.

1.3 GENERAL ECONOMIC PERFORMANCE OF BOTSWANA

Botswana has been consistently applied sound macroeconomic policies and good governance (Mohohlo, 2011). Economic records show Botswana has had a rapid economic growth totalling almost four decades. This performance has a few similarities in current economic history. The most visible one is that Botswana has not been a victim or self inflicted (succumbed) to resource bad side (curse) which has in many cases affected and derailed other
natural resource endowed countries (Mohohlo, 2011). Table 1 below shows real GDP growth rates in Botswana.

Table 1: Real GDP growth rates of Botswana (1980-2010)

| YEAR | GROWTH RATE | YEAR | GROWTH RATE |
|------|-------------|------|-------------|
| 1980 | 11.75       | 1996 | 4.44        |
| 1981 | 8.44        | 1997 | 9.73        |
| 1982 | 11.90       | 1998 | 10.37       |
| 1983 | 13.61       | 1999 | 9.84        |
| 1984 | 9.23        | 2000 | 5.89        |
| 1985 | 7.34        | 2001 | 3.49        |
| 1986 | 8.22        | 2002 | 8.96        |
| 1987 | 12.22       | 2003 | 6.31        |
| 1988 | 18.40       | 2004 | 5.96        |
| 1989 | 12.56       | 2005 | 1.63        |
| 1990 | 7.13        | 2006 | 5.12        |
| 1991 | 7.42        | 2007 | 4.81        |
| 1992 | 3.00        | 2008 | 3.12        |
| 1993 | 1.92        | 2009 | -3.65       |
| 1994 | 3.63        | 2010 | 8.56        |

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Table 1 above shows very impressive record of GDP growth rates of Botswana. Botswana has achieved the rapid growth rates in per capita income in the world since gaining independence from Britain. The real growth rates have averaged 9% per year from 1967-2004. However, there was slowdown during 2005, 2007 and 2008 before slumping to -3.65 in 2009. In 2010 real GDP grew by 8.56 (US State Department, 2011). Table 2 below shows foreign direct investment (FDI) inflow into Botswana.

Table 2: Botswana FDI inflows in US$ million (1980-2010)

| YEAR | AMOUNT | YEAR | AMOUNT |
|------|--------|------|--------|
| 1980 | 689    | 1996 | 1058   |
| 1981 | 787    | 1997 | 1173   |
| 1982 | 803    | 1998 | 1295   |
| 1983 | 832    | 1999 | 1387   |
| 1984 | 894    | 2000 | 1827   |
| 1985 | 947    | 2001 | 1388   |
| 1986 | 1018   | 2002 | 854    |
| 1987 | 1131   | 2003 | 1167   |
| 1988 | 1171   | 2004 | 982    |
| 1989 | 1231   | 2005 | 805    |
| 1990 | 1309   | 2007 | 1946   |
| 1991 | 1301   | 2009 | 1405   |
| 1992 | 1300   | 2010 | 1299   |
| 1994 | 998    |      |        |
| 1995 | 1125   |      |        |

Source: UNCTAD STAT (2011)
Table 2 above shows significant FDI inflows into Botswana. This picture supports Mohohlo (2011) who states that Botswana has good governance record. FDI is very sensitive to governance indicators (Mzumara, 2011b). It is not known whether FDI went to the vibrant mining sector alone or there are other sectors which have benefitted. According to Lipsey and Chrystal (1995) FDI links domestic economy with foreign, transfers superior management skills and alters terms of trade of a country and comparative advantage and improvement in competitiveness via technology transfer. This paper will attempt to establish whether Botswana has comparative advantage in other products other than diamonds

1.4 METHODOLOGY

The paper employed the technique developed by Balassa (1965) the Revealed Comparative Advantage (RCA). The Commission of the European Communities (1990) used the RCA to analyse and evaluate the sectoral impact while preparing to introduce a single market. Richardson and Zhang (1999) used RCA to analyse the United States economy for variations of patterns across time, industries and states. Yue (2001) also used the RCA index to show that China altered its export pattern inline with its comparative advantage. Mirzaei, Yazidani, Mostafavi and Gharahdaghi (2004) used the RCA to examine the comparative advantage of chicken meat export of Iran to the Middle East. Batra and Khan (2005) used RCA to analyse comparative advantage of India and China. Krugell and Matthee (2009) used the same technique to establish performance capabilities of South African regions through exports. The technique is very reliable and Mzumara (2011a) used it to find out whether Zimbabwe was competitive. Mzumara (2011b) has also recently used it in Mozambique’s case evaluating its performance. The following is the formula;

\[
\text{RCA} = \frac{\left( \frac{X_{\text{Botswana}}}{X_{\text{Botswana}, \text{tot}}} \right)}{\left( \frac{X_{\text{w}, j}}{X_{\text{w}, \text{tot}}} \right)} + \frac{\text{RCA for 2001}}{9}
\]

Where

- \(X_{\text{Botswana}, j}\) denotes Botswana’s exports of commodity \(j\)
- \(X_{\text{Botswana}, \text{tot}}\) denotes Botswana’s total exports
- \(X_{\text{w}, j}\) denotes the world’s exports of product \(j\)
- \(X_{\text{w}, \text{tot}}\) denotes total exports in the world

The paper used Trademap, International Trade Centre (ITC) trade statistics of harmonised 6 digit level, the most accepted international product classification to compute Botswana’s RCA index for 2001 to 2010 except 2008 (due to dearth of data on Botswana) and then obtained the overall average. This is much disaggregated than 4 digit level used by Mzumara.

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(2011a) but same digit level with Mzumara (2011b). An RCA equal or greater than 1 indicates a country has revealed comparative advantage in the product.

1.5 PRESENTATION OF THE RESULTS

5403 product lines were examined and their RCA computed for each year from 2001 to 2010 except 2008. Then average RCA for 9 year period was computed to arrive at an overall RCA for a particular product. Only products which had RCA equal or greater than 1 are reported in table 3 below.

Table 3: RCA results for Botswana

| HS   | 2001 RCA | 2002 RCA | 2003 RCA | 2004 RCA | 2005 RCA | 2006 RCA | 2007 RCA | 2009 RCA | 2010 RCA | AVERAGE RCA |
|------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------------|
| 020529 | 22.45    | 25.89    | 18.56    | 12.24    | 14.30    | 16.36    | 20.75    | 27.01    | 30.74    | 20.42       |
| 020610 | 251.66   | 283.43   | 142.25   | 154.19   | 175.10   | 229.32   | 276.41   | 309.53   | 270.4     | 2.33.05     |
| 030350 | 0.20     | 1.58     | 0.76     | 1.80     | 0.18     | 2.56     | 34.92    | 0        | 0        | 4.67        |
| 050290 | 0        | 10.63    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 1.18        |
| 070890 | 0        | 0.55     | 0.32     | 0        | 1.0      | 0.24     | 0.36     | 8.00     | 6.18     | 1.85        |
| 071010 | 0        | 0        | 0        | 0        | 10.10    | 3.67     | 0.07     | 1.02     | 2.41     | 1.92        |
| 081340 | 0.11     | 0        | 0        | 0        | 0.03     | 24.47    | 0.22     | 0        | 0        | 2.76        |
| 090990 | 6.38     | 44.18    | 80.33    | 14.14    | 1.26     | 0.98     | 0        | 0.07     | 0.10     | 16.38       |
| 091099 | 58.88    | 21.89    | 7.50     | 8.62     | 7.98     | 8.87     | 6.14     | 6.34     | 1.98     | 14.24       |
| 091099 | 2.20     | 22.82    | 4.67     | 37.85    | 3.08     | 0.05     | 2.58     | 2.21     | 6.26     | 9.08        |
| 100610 | 1.74     | 6.03     | 0.07     | 0.18     | 0.18     | 0.06     | 0.03     | 14.57    | 25.92    | 5.42        |
| 110419 | 0.09     | 1.96     | 0.59     | 1.09     | 1.24     | 0.35     | 0.20     | 5.28     | 15.13    | 2.88        |
| 110430 | 0.51     | 6.74     | 0.04     | 0        | 0        | 0        | 2.03     | 30.03    | 9.19     | 5.39        |
| 120730 | 0        | 0.69     | 0        | 5.17     | 8.36     | 1.00     | 0        | 0        | 0        | 1.69        |
| 120890 | 30.37    | 21.30    | 16.87    | 10.60    | 43.07    | 11.83    | 58.09    | 24.59    | 131.94   | 38.74       |
| 121230 | 0        | 0        | 0        | 2.29     | 0.36     | 0        | 0        | 54.35    | 0        | 6.35        |
| 151229 | 6.77     | 7.55     | 0        | 7.63     | 5.84     | 17.08    | 24.70    | 13.16    | 59.51    | 15.80       |
| 152190 | 13.79    | 31.29    | 0.51     | 0.53     | 0.14     | 0.13     | 1.38     | 8.68     | 6.36     | 6.98        |
| 170410 | 4.36     | 6.69     | 0.10     | 2.86     | 2.58     | 2.45     | 4.56     | 4.59     | 2.01     | 3.36        |
| 190300 | 0        | 0        | 0.11     | 0        | 5.08     | 13.17    | 0        | 0        | 0        | 2.04        |
| 200540 | 43.03    | 141.55   | 115.30   | 135.66   | 111.0    | 146.04   | 77.69    | 171.03   | 222.27   | 129.17      |
| 200551 | 0.87     | 0.92     | 4.45     | 5.69     | 2.39     | 4.25     | 3.24     | 3.00     | 2.83     | 2.04        |
| 200931 | 0 | 1.75 | 3.37 | 2.51 | 2.70 | 2.06 | 1.10 | 0.24 | 0.74 | 1.61 |
| 200949 | 0 | 71.01 | 34.38 | 25.05 | 18.22 | 6.5 | 1.62 | 0 | 19.98 |
| 200950 | 2.28 | 9.30 | 7.84 | 22.26 | 24.82 | 66.21 | 30.81 | 64.73 | 61.28 | 32.17 |
| 210320 | 9.77 | 10.47 | 5.20 | 12.00 | 14.36 | 7.60 | 5.16 | 0 | 0 | 7.17 |
| 230220 | 0.18 | 0 | 0 | 57.28 | 0.14 | 0.07 | 0 | 200.26 | 79.53 | 37.5 |
| 230649 | 0 | 2.57 | 5.37 | 4.95 | 2.36 | 2.51 | 0.8 | 3.26 | 5.30 | 3.01 |
| 240290 | 0.39 | 0.28 | 7.15 | 0.54 | 0.13 | 1.36 | 0.39 | 11.04 | 4.92 | 2.91 |
| 250629 | 0.19 | 0.11 | 0 | 0.06 | 0 | 0.44 | 0 | 327.05 | 33.32 | 40.13 |
| 250840 | 0.20 | 0.28 | 0.02 | 0.49 | 8.52 | 14.056 | 14.22 | 72.23 | 55.37 | 17.14 |
| 251110 | 1.49 | 0.01 | 0.08 | 18.83 | 2.26 | 15.28 | 7.13 | 43.33 | 29.53 | 13.10 |
| 251319 | 0.46 | 5.08 | 1.64 | 0.40 | 0.32 | 0.88 | 60.38 | 2495.36 | 697316.2 | 284.95 |
| 251611 | 0.31 | 0.36 | 0.45 | 0.16 | 0.10 | 0.06 | 0.33 | 3.05 | 5.38 | 1.13 |
| 251622 | 0 | 0 | 0.29 | 0 | 0 | 0 | 0 | 517.11 | 17.26 | 17.26 |
| 252230 | 204.73 | 127.92 | 45.34 | 120.09 | 67.22 | 42.36 | 136.72 | 72.29 | 230.04 | 116.30 |
| 252330 | 4.4 | 20.97 | 0.58 | 21.36 | 5.53 | 26.02 | 26.55 | 28.78 | 5.06 | 15.46 |
| 261790 | 7.61 | 2.46 | 0.87 | 1.63 | 2.24 | 0.74 | 5.81 | 35.65 | 1.91 | 6.55 |
| 270500 | 0.0 | 0 | 0 | 0 | 107.62 | 0 | 0 | 24.75 | 836.52 | 107.65 |
| 270900 | 0 | 0 | 1.47 | 4.84 | 4.48 | 8.61 | 2.41 | 4.04 | 2.89 | 3.19 |
| 271011 | 86.35 | 0.42 | 0.02 | 0.32 | 0.28 | 0.37 | 0.11 | 0.32 | 0.28 | 9.83 |
| 271019 | 0 | 5.59 | 3.98 | 3.63 | 3.37 | 0 | 0 | 0 | 0 | 1.84 |
| 271121 | 3.62 | 8.92 | 3.23 | 0 | 0 | 0 | 0 | 5.75 | 0 | 2.39 |
| 282680 | 0.73 | 10.56 | 21.82 | 4.03 | 2.00 | 8.67 | 7.10 | 152.28 | 26.01 | 25.91 |
| 283650 | 0 | 0 | 69.37 | 1.95 | 202.62 | 726.33 | 400.47 | 199.32 | 200 |
| 283699 | 2.47 | 0 | 0 | 0.03 | 0.01 | 0.02 | 46.03 | 66.79 | 310.92 | 47.36 |
| 290312 | 0.14 | 0 | 6.83 | 15.33 | 33.44 | 32.16 | 102.66 | 84.66 | 30.58 |
| 290362 | 0 | 0 | 1.8 | 11.67 | 1.69 | 14.59 | 18.56 | 1336.28 | 151.61 |
| 290890 | 0 | 0.07 | 0 | 0.01 | 0.55 | 1.80 | 133.66 | 4072.28 | 56632.86 | 6710 |
| 292090 | 0 | 0.23 | 3.3 | 0.91 | 2.28 | 5.88 | 29.22 | 0 | 0 | 4.62 |
| 292119 | 0 | 0 | 0 | 0 | 0 | 0 | 19.62 | 23.27 | 5.83 |
| 300490 | 0 | 9.73 | 0 | 0 | 0 | 0 | 1.23 | 2.87 | 0 | 1.54 |
| 392220 | 42 | 33.10 | 73.63 | 46.58 | 22.52 | 26.22 | 34.83 | 57.94 | 31.10 | 40.9 |
| 392620 | 0.29 | 1.69 | 0.22 | 0.19 | 0.28 | 1.31 | 2.45 | 2.41 | 0.67 | 1.06 |

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| 392690 | 0  | 0  | 8.36 | 0  | 7.90 | 0  | 0  | 0  | 0  | 1.81 |
| 401219 | 0  | 103.5 | 34.75 | 64.48 | 10.71 | 3.94 | 11.90 | 1.80 | 1.27 | 22.82 |
| 401290 | 1.48 | 3.43 | 1.17 | 1.01 | 0.09 | 0.14 | 0.05 | 1.07 | 0.28 | 1.25 |
| 410530 | 0  | 0.90 | 0.47 | 0.72 | 0.88 | 1.44 | 7.36 | 10.37 | 1.18 | 2.59 |
| 411390 | 0  | 1.63 | 4.52 | 0.68 | 0.03 | 0.60 | 0.37 | 0.01 | 5.2  | 1.45 |
| 430180 | 67.27 | 7.35 | 6.50 | 3.16 | 1.86 | 0.18 | 0.26 | 5.77 | 1.50 | 10.43 |
| 430219 | 0.23 | 0.86 | 0.2  | 4.40 | 3.15 | 0.59 | 1.00 | 2.68 | 3.78 | 1.88 |
| 440200 | 0  | 0  | 3.33 | 1.62 | 0.40 | 0.58 | 0.44 | 5.67 | 4.99 | 1.89 |
| 440341 | 0.53 | 2.56 | 1.07 | 0.04 | 0.10 | 0.03 | 0.16 | 1.06 | 7.21 | 1.42 |
| 440724 | 0.02 | 0.01 | 0  | 0.02 | 0.01 | 0  | 0  | 49.39 | 698.45 | 124 |
| 441021 | 0  | 0.01 | 0.01 | 0.01 | 0  | 0  | 35.91 | 0  | 2328.24 | 1574 |
| 441029 | 0  | 0  | 0.01 | 0.01 | 0.01 | 0.01 | 0.35 | 2010 | 143.82 | 1821 |
| 441111 | 0.09 | 0.05 | 0.37 | 7.00 | 4.14 | 3.66 | 52.83 | 260.81 | 193.74 | 58.08 |
| 441119 | 0  | 0  | 0.59 | 0.80 | 0.34 | 0.17 | 27.56 | 172.17 | 252.71 | 50.48 |
| 480820 | 0.25 | 0  | 0  | 0  | 0  | 0.11 | 0  | 28.12 | 6.09 | 3.84 |
| 481830 | 0.02 | 0  | 0.01 | 0.01 | 0.10 | 0.31 | 10.76 | 7.44 | 15.16 | 3.8 |
| 481850 | 0  | 0.6 | 2.6  | 12.56 | 21.61 | 35.94 | 1.59 | 6.04 | 0.03 | 9 |
| 482312 | 0  | 0  | 0  | 0  | 0  | 0  | 300.83 | 0  | 33.42 |
| 520513 | 0.04 | 0.41 | 1.86 | 5.89 | 1.69 | 9.17 | 13.87 | 59.99 | 38.93 | 15.62 |
| 520612 | 0.6 | 0.36 | 0  | 9.86 | 0.44 | 1.89 | 2.27 | 0.15 | .08 | 1.68 |
| 520621 | 454.8 | 642.75 | 37.42 | 40.36 | 75.9 | 281.14 | 611.55 | 16.22 | 26.05 | 239 |
| 521119 | 0.36 | 0.53 | 0.06 | 1.15 | 0.86 | 0.17 | 1.11 | 2.91 | 4.82 | 1.33 |
| 521129 | 1.86 | 2.01 | 3.08 | 3.62 | 3.17 | 4.59 | 29.74 | 61314.44 | 1712.26 | 7008 |
| 521212 | 98.42 | 1.54 | 0  | 0  | 0.10 | 1.66 | 0.71 | 0.15 | 49.10 | 16.85 |
| 530290 | 0  | 0.52 | 0  | 4  | 8.11 | 6.81 | 0  | 5.68 | 12.68 | 4.96 |
| 530410 | 0  | 0  | 0  | 0  | 0  | 0  | 29.46 | 33.23 | 6.97 |
| 540410 | 0  | 0.01 | 0  | 0  | 0  | 0  | 31.20 | 0  | 3.47 |
| 550190 | 28.31 | 9.56 | 10.89 | 7.24 | 9.13 | 7.13 | 5.11 | 53.80 | 7.32 | 15.62 |
| 550340 | 15.68 | 14.44 | 6.61 | 16.33 | 14.45 | 14.45 | 8.69 | 7.35 | 2.72 | 11.9 |
| 550390 | 16.27 | 26.15 | 26.85 | 30.27 | 29.64 | 40.71 | 27.72 | 16.37 | 21.79 | 26.97 |
| 550690 | 1.00 | 6.58 | 5.852 | 2.44 | 2  | 0.20 | 0.12 | 0.47 | 0.27 | 2.1 |
| 550912 | 0.74 | 2.25 | 3.66 | 1.38 | 0.79 | 4.99 | 6.87 | 4.38 | 1.09 | 2.91 |

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| Year         | GDP Growth | Inflation | Unemployment | Consumer Spending | Investment | Government Spending | Export | Import |
|--------------|------------|-----------|--------------|-------------------|------------|---------------------|--------|--------|
| 2011-2012    | 3.2%       | 4.5%      | 5.6%         | 5.8%              | 6.2%       | 7.0%                | 8.9%   | 7.6%   |

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| 760320 | 5.56 | 6.85 | 9.01 | 5.63 | 0.62 | 1.46 | 1.91 | 1.01 | 0.77 | 3.64 |
| 780411 | 13.11 | 0 | 0 | 0 | 0 | 0 | 0.14 | 0 | 0 | 1.47 |
| 800600 | 0 | 0.22 | 8.84 | 0.88 | 2.95 | 1.08 | 5.10 | 59.91 | 2087.85 | 241 |
| 820510 | 30.83 | 17.53 | 3.97 | 0 | 0 | 0 | 0 | 0 | 0 | 5.81 |
| 820560 | 0.12 | 0.42 | 9.25 | 16.07 | 1.46 | 0.99 | 3.63 | 0 | 0.3 | 4.25 |
| 820580 | 8.84 | 0.42 | 8.95 | 1.38 | 0 | 0.84 | 36.70 | 5.76 | 49.70 | 13.51 |
| 821191 | 3.56 | 0.28 | 0.16 | 1.60 | 2.58 | 12.25 | 22.59 | 17.22 | 6.68 | 7.4 |
| 821194 | 29.97 | 4.02 | 15.89 | 9.61 | 0.73 | 26.34 | 3.65 | 5.17 | 2.33 | 10.85 |
| 821220 | 0.45 | 2.02 | 0.62 | 6.77 | 2.84 | 6.66 | 15.98 | 7.54 | 4.59 | 5.27 |
| 830300 | 0.01 | 0.14 | 1.03 | 0.61 | 0.02 | 1.00 | 7.00 | 0.05 | 0.15 | 1.1 |
| 830590 | 0.40 | 0.34 | 16.57 | 17.47 | 18.82 | 58.92 | 6.64 | 1.14 | 7.00 | 14.14 |
| 830630 | 15.26 | 16.01 | 23.28 | 11.27 | 12.24 | 12.39 | 33.49 | 4.98 | 14.51 | 15.94 |
| 830890 | 0.10 | 0.08 | 0.30 | 4.32 | 1.44 | 2.79 | 4.29 | 2.29 | 17.17 | 3.64 |
| 830910 | 0.13 | 0.39 | 4.14 | 9.51 | 9.83 | 25.74 | 16.93 | 0.01 | 15.05 | 9.08 |
| 831000 | 0.28 | 0.48 | 1.4 | 19.71 | 23.01 | 57.34 | 209.51 | 29.15 | 24.90 | 40.6 |
| 840110 | 0 | 0 | 0 | 0 | 18.18 | 18.79 | 9.88 | 11.94 | 56.22 | 12.78 |
| 840590 | 113.05 | 184.23 | 82.32 | 253.10 | 346.07 | 396.25 | 376.0 | 0 | 0 | 195 |
| 840610 | 10.32 | 8.38 | 12.64 | 166.34 | 79.44 | 63.92 | 377.89 | 942.07 | 947.09 | 290 |
| 840681 | 9.60 | 22.33 | 15.34 | 7.85 | 0.58 | 4.13 | 9.22 | 0 | 0 | 7.56 |
| 840690 | 0.18 | 0.45 | 0.23 | 0.56 | 4.15 | 9.30 | 56.78 | 15.29 | 2.01 | 9.9 |
| 840710 | 2.84 | 6.79 | 2.38 | 21.71 | 124.21 | 2.08 | 2.9 | 0.03 | 0.07 | 18 |
| 840721 | 1.26 | 11 | 23.07 | 27.60 | 7.07 | 19.57 | 51.22 | 5.1 | 0.59 | 16.28 |
| 841012 | 0.50 | 0 | 0 | 0 | 0.08 | 0 | 19.90 | 4.32 | 2.80 | 2.80 |
| 841829 | 12.6 | 5.39 | 2.25 | 31.77 | 55.68 | 55.83 | 18.65 | 21.94 | 4.83 | 23.2 |
| 841840 | 19.93 | 19.73 | 11.97 | 7.99 | 34.96 | 12.69 | 37.24 | 70.7 | 93.14 | 34 |
| 841891 | 2.5 | 2.17 | 1.37 | 61.72 | 12.74 | 1.90 | 4.75 | 2.30 | 18.07 | 12 |
| 841960 | 0.09 | 0.83 | 0.25 | 0.96 | 3.59 | 12.92 | 2.07 | 17.48 | 7.84 | 4.8 |
| 842091 | 0.79 | 0.25 | 0.29 | 1.8 | 0.50 | 0.40 | 2.12 | 15.66 | 12.52 | 3.8 |
| 842111 | 17.5 | 1.48 | 1.04 | 8.24 | 15.89 | 15.41 | 9.45 | 5.02 | 0.82 | 8.32 |
| 842119 | 0.01 | 0.07 | 0.16 | 1.2 | 1.29 | 0.72 | 9.07 | 8.47 | 5.86 | 3.1 |
| 842122 | 0.2 | 4.99 | 1.40 | 87.22 | 82.15 | 63.82 | 5.93 | 46.8 | 28.10 | 36 |
| 842129 | 0 | 0.09 | 0.48 | 2.13 | 10.57 | 3.16 | 12.63 | 31.93 | 19.83 | 8.98 |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
|     |     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 842290 | 0 | 0.01 | 2.28 | 2.09 | 17.56 | 6.32 | 11.56 | 7.52 | 1.60 | 5.45 |
| 842320 | 0.38 | 0.76 | 2.98 | 5.63 | 0 | 1.04 | 0.42 | 2.21 | 3.62 | 1.89 |
| 842520 | 0.86 | 4.76 | 21.220 | 0 | 0.09 | 7.72 | 120.83 | 19.22 | 0 | 19 |
| 843039 | 9.45 | 0.74 | 0.05 | 2.39 | 8.36 | 5.64 | 4.19 | 20.56 | 2.46 | 5.98 |
| 843062 | 0 | 0 | 0 | 142.90 | 888.70 | 0 | 0 | 0 | 115 |
| 844210 | 0 | 0.01 | 0 | 0.02 | 0.35 | 0.02 | 16.53 | 1822.6 | 1700.45 | 393 |
| 844220 | 4.26 | 6.1 | 4.33 | 0.10 | 0.40 | 1.45 | 245.11 | 0 | 0 | 29.01 |
| 844312 | 0 | 0.07 | 1.47 | 0 | 2.19 | 1.76 | 3.93 | 7.6 | 2.17 | 2 |
| 844329 | 0.48 | 0.16 | 0.17 | 0 | 0 | 0.04 | 0.5 | 756.17 | 26.12 | 87.07 |
| 844330 | 0.61 | 1.53 | 3.06 | 1.11 | 2.03 | 1.14 | 48.22 | 15.89 | 598.66 | 75 |
| 844360 | 0 | 0.37 | 0 | 0 | 0.01 | 0.18 | 6.12 | 0.32 | 1.64 | 0.96 |
| 844390 | 0 | 0 | 0 | 0 | 0 | 0 | 0.04 | 20.51 | 4.77 | 2.81 |
| 844629 | 0.44 | 2.10 | 1.23 | 0.25 | 0.93 | 0.88 | 4.33 | 20.31 | 7.69 | 4.24 |
| 844832 | 0.36 | 0.90 | 1.29 | 0.24 | 0.40 | 1.03 | 0.76 | 7.77 | 3.26 | 1.8 |
| 845110 | 2.95 | 5.38 | 1.31 | 6.45 | 3.71 | 5.29 | 3.79 | 7.69 | 5.08 | 4.6 |
| 845230 | 8.78 | 7.66 | 6.94 | 8.61 | 15.80 | 5.79 | 1.86 | 6.23 | 18.01 | 8.9 |
| 845390 | 5.22 | 10.32 | 5.15 | 4.73 | 1.94 | 2.36 | 7.67 | 3.15 | 3 | 4.8 |
| 845410 | 150.44 | 179.78 | 38.67 | 22.15 | 66.7 | 49.27 | 22.42 | 66.97 | 70.5 | 74 |
| 845699 | 0.56 | 0.32 | 0 | 0 | 0 | 0.06 | 0 | 260 | 0 | 29 |
| 845899 | 0.09 | 0.36 | 0 | 0.09 | 3.81 | 11.59 | 7.24 | 5.39 | 0.22 | 3.2 |
| 846040 | 0.01 | 0.02 | 0 | 0.38 | 0.01 | 0 | 0.10 | 4.54 | 4.38 | 1 |
| 847150 | 0 | 0 | 9.72 | 9.92 | 0 | 7.12 | 0 | 0 | 3 |
| 847210 | 0.36 | 0.30 | 1.10 | 1.06 | 0.90 | 1.14 | 1.54 | 3.71 | 3.4 | 1.5 |
| 847220 | 0 | 16.80 | 0 | 0 | 0 | 0 | 0 | 0.02 | 1.9 |
| 847989 | 0 | 0 | 7.60 | 6.89 | 6.95 | 0 | 0 | 0 | 2.4 |
| 848340 | 1016.5 | 924.52 | 0 | 0.22 | 2.2 | 0 | 0 | 0 | 11.33 | 217 |
| 848350 | 0.13 | 0 | 16.88 | 13.99 | 11.87 | 6.15 | 29.82 | 0 | 0 | 8.76 |
| 848360 | 72.61 | 53.39 | 10.24 | 5.92 | 13.75 | 64.23 | 29.82 | 0 | 0 | 28 |
| 848390 | 0 | 0.3 | 1784.18 | 1691.26 | 1637.4 | 1566.63 | 1303.6 | 1174.37 | 1103.97 | 1140 |
| 848410 | 0 | 0.31 | 0.32 | 11.57 | 1.26 | 0 | 27.13 | 463.25 | 685.10 | 132 |
| 850132 | 0.74 | 0.10 | 0 | 8.19 | 85.10 | 122.91 | 42.62 | 344.35 | 138.81 | 83 |
| 850133 | 7.54 | 26.79 | 0 | 0 | 0 | 0 | 0 | 0 | 196.18 | 25.6 |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
## BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?

| 850440 | 0 | 0 | 0 | 0 | 9.98 | 8.25 | 0 | 0 | 2 |
| 850630 | 2.18 | 22.10 | 67.19 | 173.15 | 231.73 | 504.91 | 674.04 | 471.48 | 819.08 | 330 |
| 850650 | 0.12 | 0.19 | 0.27 | 0.89 | 5.88 | 7.25 | 7.79 | 0.63 | 1.15 | 2.69 |
| 850690 | 1.59 | 1.4 | 1.62 | 0.89 | 1.43 | 0.35 | 0.39 | 0.46 | 9.07 | 1.9 |
| 850810 | 0 | 0.09 | 0.18 | 1.76 | 3.99 | 0 | 5.12 | 440.59 | 46 | 50.7 |
| 850910 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 140 | 13.31 | 17 |
| 850920 | 0 | 0 | 0 | 0 | 0.01 | 0.9 | 1.88 | 162036 | 7396.95 | 1002 |
| 851929 | 0.26 | 0.03 | 0 | 0.68 | 1.57 | 0.34 | 17.04 | 1069.43 | 19862.2 | 2328 |
| 852032 | 0 | 0 | 0 | 0 | 0.01 | 0.42 | 74.07 | 5.01 | 8.83 |
| 852033 | 0.41 | 0.11 | 0.95 | 0.3 | 0.13 | 0.15 | 2.39 | 13.21 | 24.13 | 4.61 |
| 852039 | 0.23 | 0 | 0 | 0 | 0 | 0 | 0 | 5941.32 | 0 | 660 |
| 852090 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4.09 | 11.99 | 1.8 |
| 852311 | 0.61 | 0.08 | 0.02 | 0.02 | 0.02 | 0.14 | 1.28 | 59.58 | 3.30 | 5.2 |
| 852313 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.07 | 181.26 | 0 | 20 |
| 852320 | 0.03 | 0 | 0 | 0 | 0.2 | 0 | 0.01 | 570.17 | 28.17 | 66 |
| 852390 | 0 | 0 | 0 | 0.5 | 0.19 | 0.05 | 0.43 | 100.61 | 0 | 11 |
| 852410 | 1.78 | 0 | 0 | 0.92 | 0.99 | 0.71 | 0.99 | 0 | 0 | 12 |
| 852431 | 0.24 | 0.04 | 0.01 | 0.5 | 0.19 | 0.05 | 0.13 | 27.24 | 3.71 | 4 |
| 852451 | 0.31 | 1.05 | 0 | 0 | 0.13 | 0.16 | 0.06 | 0.13 | 4277.73 | 476 |
| 852452 | 0.36 | 0.21 | 0.32 | 0.34 | 0.78 | 1.33 | 3.03 | 20200.49 | 22895.31 | 4789 |
| 852453 | 0.03 | 0.03 | 0 | 0.16 | 0 | 0.34 | 1.23 | 417.94 | 268 | 76 |
| 852731 | 0 | 0.03 | 0 | 0.08 | 0.01 | 0.05 | 0.62 | 108.68 | 66.76 | 20 |
| 854250 | 0 | 0 | 0 | 0 | 0.2 | 0 | 0.24 | 24.39 | 88.36 | 13 |
| 854340 | 0.07 | 0.31 | 0.08 | 0.14 | 0.11 | 0.06 | 2.73 | 251.04 | 0 | 28 |
| 854441 | 0.22 | 0.46 | 0.33 | 0.24 | 0.22 | 0.24 | 0.73 | 4.27 | 4.52 | 1.25 |
| 854459 | 0 | 0 | 0.01 | 0.01 | 0 | 0 | 0.59 | 24.39 | 88.36 | 13 |
| 854810 | 0 | 0 | 1.02 | 0.03 | 0.32 | 0.25 | 0.23 | 5.01 | 4.09 | 1 |
| 870840 | 0 | 0 | 0 | 0 | 9.65 | 0 | 0 | 0 | 0 | 1 |
| 870911 | 16.87 | 18.6 | 34.31 | 13.05 | 15.69 | 31.28 | 13.37 | 7.61 | 9.07 | 18 |
| 870919 | 793.34 | 930.66 | 2910.11 | 2760.59 | 2418.32 | 3756.02 | 606.81 | 2.90 | 0 | 1575 |
| 871310 | 0.46 | 3.53 | 4.59 | 5.44 | 6.51 | 13.84 | 13.34 | 17.29 | 15.05 | 8.89 |
### Data Table

| Botswana | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|----------|------|------|------|------|------|------|------|------|------|------|------|
| 871411   | 0.23 | 0.40 | 0.06 | 0.06 | 0.08 | 0.09 | 0.06 | 6.26 | 15.06 | 2.5  |      |
| 880190   | 0.09 | 0    | 0    | 0.17 | 0    | 0    | 21.88| 0    | 15.41 | 4    |      |
| 880521   | 0    | 0.31 | 0.37 | 0.24 | 0.1  | 1.22 | 4.85 | 1.81 | 6.77  | 2    |      |
| 880529   | 0    | 0.4  | 0.18 | 28.87| 27.22| 14.23| 65.42| 31.37| 0.88  | 19   |      |
| 900590   | 0.43 | 0.75 | 1.72 | 2.65 | 4.07 | 9.61 | 9.49 | 8.53 | 8.62  | 5    |      |
| 900912   | 0    | 0    | 0    | 0    | 0    | 15.50| 0    |      |      | 1.7  |      |
| 900921   | 0    | 0    | 0    | 0    | 0.03 | 0    | 0    | 15   | 0     | 1.7  |      |
| 900922   | 0    | 0    | 0    | 0.24 | 0    | 10.56| 0    | 0    | 1.2   |      |      |
| 900930   | 0    | 0.26 | 0.03 | 0    | 0.40 | 0    | 0    | 104.85| 34783.3| 3877 |      |
| 900991   | 0    | 0    | 0.04 | 0    | 0    | 0    | 0.38 | 0    | 70.04 | 8    |      |
| 900992   | 0    | 0.5  | 0.14 | 0.07 | 0.16 | 0.15 | 142.56| 0    | 2925.34| 341  |      |
| 900993   | 0    | 0.26 | 0.027| 0    | 0.40 | 0    | 0    | 140  |      |      |      |
| 901530   | 0    | 0    | 0    | 0    | 0.33 | 1.53 | 4.84 | 7.89 | 13.44 | 3    |      |
| 902119   | 0    | 0    | 0    | 0    | 0    | 0    | 441.35| 0    | 49    |      |      |
| 902790   | 7.59 | 2.80 | 8.06 | 4.04 | 3.52 | 3.7  | 1.92 | 2.24 | 2.87  | 4    |      |
| 910199   | 1.15 | 0.37 | 0.02 | 0.62 | 0.24 | 0.50 | 0.64 | 8.88 | 10.38 | 2.6  |      |
| 910390   | 1.69 | 26.03| 1.60 | 8.33 | 19.39| 7.12 | 5.03 | 5.47 | 36.56 | 12   |      |
| 910899   | 0.10 | 2929.84| 2349.63| 0    | 72542| 15997| 0    | 0    | 1597.06| 10602|      |
| 920993   | 20.17| 87.81| 0.59 | 2.0  | 16.75| 6.46 | 67.14| 0    | 0     | 22   |      |
| 930610   | 1.48 | 3.5  | 6.72 | 1.87 | 1.87 | 0.8  | 65.13| 142591| 1017.79| 15965|      |
| 950330   | 0    | 0    | 0    | 0    | 0.02 | 0    | 0.36 | 19.24| 0.72  | 2.3  |      |
| 950349   | 0    | 0    | 0    | 0    | 0    | 0    | 4.88 | 6.11 | 1.2   |      |      |
| 950669   | 22.04| 64.46| 36.86| 14.88| 4.68 | 6.25 | 10.48| 37.74| 10    | 34   |      |
| 950810   | 0    | 4.87 | 2.28 | 5.71 | 6.62 | 1.1  | 0.74 | 23.37| 2.40  | 5    |      |
| 960190   | 1.84 | 2.35 | 22.79| 34.42| 43.01| 26.77| 75.44| 43.08| 64.99 | 35   |      |
| 960310   | 1.5  | 7.95 | 2.85 | 0.63 | 18.27| 0.34 | 44.06| 0.47 | 17.54 | 10   |      |
| 960330   | 0.59 | 0.80 | 0.38 | 1.78 | 4.56 | 3.69 | 2.68 | 5.63 | 6.74  | 3    |      |
| 960630   | 6.08 | 5.53 | 2.49 | 6.36 | 6.76 | 2.24 | 23.75| 8.61 | 9.39  | 8    |      |
| 960850   | 0.68 | 0.17 | 0    | 0.01 | 0.05 | 0.08 | 0    | 18.24| 0     | 2    |      |
| 961320   | 0.07 | 0.02 | 0.06 | 1.49 | 0.77 | 0.26 | 5.78 | 5.22 | 1.96  | 2    |      |
| 961380   | 0.05 | 0.06 | 0.75 | 2.37 | 1.41 | 3.07 | 18.88| 12.08| 14.59 | 6    |      |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
1.6 DISCUSSION

Table 3 shows that Botswana has Revealed Comparative Advantage (RCA) in 244 product lines out of the 5403 products computed for RCA over a 9 year period. This translates to 5% of all the products so far tested for possible Revealed Comparative Advantage. There was no evidence of any Revealed Comparative Advantage (RCA) in 5159 products. That means Botswana does not have Revealed Comparative Advantage in 95% of the products tested. The question the paper was addressing was whether Botswana is a mono-diamond economy or not. The results show that Botswana has other products other than diamonds in which it has comparative advantage hence it is not a mono-diamond economy. Botswana shows highly specialised in other products other than diamonds. The description of the products in which Botswana has a comparative advantage are presented in the Appendix. However, Botswana has also Revealed Comparative Advantage in low value products such as brooms, brushes, buttons, pens, pencils, balloons, sewing needles, balls etc. These are low value products no matter the world demand that can be there, they cannot earn much for Botswana to match earnings from diamonds. This is the main reason all the other products Botswana exports only add up to 30% to exports earnings.

1.7 CONCLUSION AND RECOMMENDATIONS

Botswana is not a one product (diamonds) economy despite its heavy reliance on the product. The country is highly specialised in the production of other products apart from diamonds. Botswana has demonstrated efficiency in production of such products. These products can take over as Botswana’s major exports in the event that diamonds are fully exhausted however some products constitute a group of low value products. It is recommended that Botswana should be promoting other products it has comparative advantage also. The current emphasis on diamonds can hurt other products in the long run as it is perceived as if Botswana only produces diamonds. There is a need to further diversify so that the economy does not rely on one particular primary commodity in this case diamonds constituting 70% of export earnings. Any negative changes in the diamond movement would reduce the economy into a forced recession. Botswana should use its earnings to diversify and enter into higher level manufacturing producing high value products than simply producing balloons, pencils, buttons, etc.

It can use its resources to import raw material and other inputs and engaged in real high level value added manufacturing away from steaming tomato sauce. The government should also diversify its revenue base so that no particular product has a monopoly to bring in 50% of its revenue. There is a need that the government prepares for the eventuality when it will have exhausted mining the diamonds and widen its revenue base well before the resource is exhausted. Further there are other countries which have recently discovered diamonds such as Zimbabwe, such countries will lead to Botswana’s receipts decreasing including its market

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
share. As exploration continues, other countries may find themselves having diamonds. Botswana will increasingly find its market share decreasing. Once there are many players in the industry they may depress world commodity price of diamonds. If such happens the viability may be threatened. Botswana needs a long term plan beyond diamonds through diversification.

APPENDIX

| Harmonised 6-digits code | Product Description |
|--------------------------|---------------------|
| 020329                   | Swine cuts, frozen nes |
| 020610                   | Bovine edible offal, fresh or chilled |
| 050290                   | Hair and waste of badger and of other brush making hair |
| 071010                   | Potatoes, frozen |
| 081340                   | Fruits, dried nes |
| 090190                   | Coffee husks and skins, coffee substitutes |
| 091099                   | Spices nes |
| 100610                   | Rice in the husk (paddy or rough) |
| 110419                   | Cereals, rolled or flacked grains nes |
| 110430                   | Germ of cereals, white, rolled, flaked or ground |
| 120730                   | Castro oil seeds, whether or not broken |
| 120890                   | Flours and meals of oil seeds or oleaginous fruits, except mustard, nes |
| 151229                   | Cotton-seeds and its fractious refined but not chemically modified |
| 152190                   | Bees wax, other insect waxes and spermaceti whether or not refined or coloured |
| 170410                   | Chewing gum containing sugar, except medicinal |
| 200540                   | Peas prepared to preserved other than by |

BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?
| Code   | Description                                                                 |
|--------|-----------------------------------------------------------------------------|
| 200551 | Beans shelled prepared/preserved, o/t by vinegar /acetic acid not frozen    |
| 200931 | Single citrus fruit juice unfermented, Brix value <= 20 at 20°C, whet        |
| 200950 | Tomato juice unfermented and not spirited, whether or not sugared or sweet  |
| 210320 | Tomato ketchup and other tomatoe sauce                                      |
| 230220 | Rice bran, sharpes and other residues pelleted or not                       |
| 240290 | Cigars, cheroots, cigarillos and cigarettes, containing tobacco substitutes  |
| 250840 | Other clays (excluding expanded clays of 68.06)                             |
| 251319 | Pumice stone, nes                                                           |
| 251611 | Granite, crude or rough trimmed                                             |
| 252230 | Hydraulic lime                                                              |
| 261790 | Ores and concentrates                                                       |
| 270500 | Coal gas, water gas, etc, other than petroleum gases and gaseous hydrocarbons|
| 270900 | Petroleum oils and oils obtained from bituminous minerals, crude.           |
| 271011 | Aviation spirit                                                             |
| 271019 | Light petroleum distillates, nes                                            |
| 271121 | Natural gas in gaseous state                                                |
| 283650 | Calcium carbonate                                                           |
| 290312 | Dichbromethane                                                             |
| 290890 | Derivis of phenols or phenol-alcohols, nes                                 |
| 300490 | Medicaments, nes, in dosage                                                |
| 392220 | Lavatory seats and covers of plastics                                       |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| 392620 | Apparel and clothing accessories (including gloves) of plastics |
| 392690 | Articles of plastics or of other materials of nos 39.01 to 39.14 |
| 401213 | Retreaded pneumatic tyres |
| 401290 | Solid or cushioned tires, interchangeable tire treads and tire flaps of rubber |
| 441390 | Leather further prepared after tanning or crusting including parchment-dr |
| 430180 | Raw furskins nes, whole |
| 430219 | Tanned and dressed firkins, nes, whole, not assembled |
| 440200 | Wood charcoal (including shell or metal charcoal) |
| 440724 | Lumber, virola, mahogag, imbuia, Balsa, sawn > 6mm |
| 441029 | Oriented strand board and waferboard, of wood, whether or not agglomerated. |
| 441119 | Fibreboard >0.8 glem² nes |
| 480820 | Doors and their frames and thresholds of wood |
| 481850 | Articles of apparel and clothing accessories, of paper, nes |
| 482312 | Self-adhesive paper in strips or rolls with a width of ≦ 36 cm |
| 520513 | Cotton YARN, >/= 85%, single, uncombed |
| 521129 | Wooven fabrics of cotton, < 85% mixed with m-m fibre, more than 200g/m² dyd |
| 550690 | Synthetic staple fibres, not carded or combed, nes |
| 551339 | Woven fabric of other synthetic staple fibre < 85% mixed with cotton ≦ 120g m², yarn dyd |

BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?
| 551439 | Woven fabric of other synthetic staple fibre, < 85% with cotton > 170 g/m² yarn dyed |
| 580310 | Gauze of cotton other than narrow fabrics |
| 611220 | Ski suits, of textile material knitted |
| 611519 | Panty hose and tights, of other textile materials, knitted |
| 611720 | Ties, bow ties and cravats of textile materials, knitted |
| 620111 | Mens/boys overcoats and similar articles of cotton, or knitted |
| 630611 | Tarpaulins, awnings and sunblinds of synthetic fibres |
| 630621 | Tents, of cotton |
| 630639 | Sails, of other textile materials |
| 630800 | Sets consisting of woovens fabric and yarn for making up into rugs |
| 640191 | Waterproof foot wear, outer soles/upper of rubber/plastic covering knees, nes |
| 640199 | Waterproof foot wear, outer soles/upper of rubber/plastic, nes |
| 650100 | Hat-forms, hat bodies and hoods of felt; plateaux and machons, of felt |
| 650699 | Headgear nes, of other materials |
| 681120 | Sheets nes, panels/tile etc of asbestos-cement; cellulose, fibre-cement etc. |
| 681130 | Tubes, pipes and tube/pipe fittings of asbestos-cellulose fibre-cement |
| 681250 | Asbestos clothing, clothing accessories, footwear and headgear |
| 690100 | Bricks, blocks etc and ceramic goods of siliceous fossil meals of similar earths |
| 701321 | Drinking glasses other than glassceramics of |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| Code     | Description                                                                 |
|---------|-----------------------------------------------------------------------------|
| 701329  | Lead crystal                                                                |
| 701690  | Drinking glasses other than glassceramics                                     |
| 701911  | Paving blocks etc for building/construction etc, leaded lights, foamglass etc. |
| 710410  | Chopped strand of glass fibres, length 50mm                                  |
| 710812  | Piezo-electric quartz whether or not worked or graded                         |
| 711319  | Gold in unwrought forms monetary (including gold plated with platinum)       |
| 720410  | Articles of jewellery and part thereof of/precious metal w/n platd/clad with precious metal |
| 740120  | Cement copper (precipitated copper)                                          |
| 760320  | Powders, aluminium, of lamellar structure, including flakes                  |
| 780411  | Lead sheets, strip and foil of a thickness (excluding any backing) <0.2 mm   |
| 820510  | Drilling, threading or tapping tools                                         |
| 820560  | Blow torches                                                                |
| 820580  | Anvils, portable forges and hand or pedal operated grinding wheels           |
| 821191  | Table knives having fixed blades                                             |
| 821220  | Safety razor blades, including razor blade blanks in strips                    |
| 830300  | Safes, safe deposit lockers, cash, deep/strong boxes and the like of base metal |
| 830590  | Letter corners, letter or paper clips similar office art of base metal        |
| 830630  | Photograph, picture, or similar frames and mirror of base metal               |

BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?
| Code     | Description                                                                 |
|----------|-----------------------------------------------------------------------------|
| 830890   | Beads, spangles and other made up art nes, for clothing/footwear, awnings etc. |
| 830910   | Corks, crown of base metal                                                  |
| 831000   | Letters, numbers, sign plates and similar art of base metal excluding those of heading no90.05 |
| 840590   | Parts of prod gas/wat gas generals generators, acetylene gas gen and similar water gas gen |
| 840610   | Turbines for marine propulsions                                             |
| 840690   | Parts of steam and vapour turbines                                          |
| 840710   | Aircraft engines, spark-ignition reciprocating or rotary type               |
| 840721   | Outboard motors, spark-ignition reciprocating or rotary type                |
| 841012   | Hydro turbines and water wheels of a power excluding 1000 kw but not exceeding 10000 kw |
| 841829   | Refrigerators household type, nes                                           |
| 841840   | Freezers of the upright type, not exceeding 900 litres capacity             |
| 841891   | Furniture designed to receive refrigerating or freezing equipment           |
| 841960   | Machinery for liquefying air or gas                                         |
| 842091   | Cylinders for calendar or rolling machines, excluding for metal or glass    |
| 842119   | Centrifuges nes                                                            |
| 842122   | Filtering or purifying machinery and apparatus for beverages, excluding water |
| 842129   | Filtering or purifying machinery and apparatus for liquids nes              |
| 8421290  | Parts of dish washing, cleaning or drying container, packaging or wrapping machine |
| 842320   | Scales for continous weighing of goods on                                   |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| Code  | Description                                                                 |
|-------|-----------------------------------------------------------------------------|
| 842520| Pit-head winding gear winches specially designed for use underground         |
| 843039| Coal or rock cutters, not self-propelled                                    |
| 843062| Scrapers, non self-propelled                                               |
| 844210| Phototype-setting and composing machines                                   |
| 844220| Machine appliance and equipment for type-set or comp by other process without founding device |
| 844329| Letter press printing machinery, nes excluding flexographic printing       |
| 844330| Flexographic printing machinery                                             |
| 844360| Machines for uses ancillary to printing                                     |
| 844390| Parts of printing machinery and machines for uses ancillary to printing     |
| 844629| Machines for weaving fabrics of width exceeding 30cm shuttle type nes       |
| 845230| Sewing machine needles                                                     |
| 845390| Parts of machine for preparing etc hides skin leather/mak/rep foot without sewing machine |
| 845410| Converters used in metallurgy or metal foundries                           |
| 845899| Lathes nes for removing metal                                               |
| 846040| Honing or lapping machines for removing metal                               |
| 847150| Digital processing units not sold as complete system                        |
| 847210| Office duplicating machines                                                 |
| 847220| Addressing machines and address plate embossing machines                   |
| 847989| Machines and mechanical appliances nes                                      |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| Code   | Description                                                                 |
|--------|-----------------------------------------------------------------------------|
| 848340 | Gears and gearing, ball screws, gear boxes, speed chargers/torque converters |
| 848350 | Fly wheels and pulleys including pulley blocks                                |
| 848360 | Clutches and shaft coupling (including universal joints)                      |
| 848390 | Parts of power transmission equipment/other goods used to transmit power       |
| 848410 | Gaskets of metal sheeting combined with other material                        |
| 850132 | DC motors, DC generators, of an output exceeding 750W but not exceeding 75 kw |
| 850133 | DC motors DC generators of an output exceeding 75kw but not > 375kw           |
| 850440 | Static convertors, nes                                                       |
| 850630 | Mercuric oxide primary cells and batteries                                   |
| 850650 | Lithium primary cells and primary batteries                                  |
| 850690 | Parts of primary cells and primary batteries                                 |
| 850810 | Drills, hand-held with self-contained electric motor                         |
| 850910 | Domestic floor cleaners                                                      |
| 850920 | Domestic floor polishers                                                     |
| 851929 | Record-players, nes                                                         |
| 852032 | Magnetic digital audio tape recorders                                        |
| 852033 | Magnetic tape cassette type                                                  |
| 852039 | Magnetic tape recorders incorporating sound reproducing apparatus, nes        |
| 852090 | Magnetic tape recorders and other sound recording apparatus, nes              |
| 852311 | Unrecorded magnetic tapes, of a width                                        |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| Harmonized System Code | Description |
|------------------------|-------------|
| 852313                 | Unrecorded magnetic tapes, of width exceeding 6.5mm |
| 852320                 | Unrecorded magnetic disc |
| 852390                 | Prepared unrecorded media for sound recording or other phenomena nes |
| 852410                 | Recorded gramophone records |
| 852431                 | Recorded laser discs (other than sound/image discs) |
| 852451                 | Recorded magnetic tapes, width < 4mm |
| 852452                 | Recorded magnetic tapes, width 4-6.5 mm |
| 852453                 | Recorded magnetic tapes, width >6.5mm |
| 852731                 | Radio broadcasting reception combined with sounds recording or reproducing apparatus, nes |
| 854250                 | Electronic micro assemblies |
| 854340                 | Electric fence energisers |
| 854441                 | Electric conductors, for a voltage not exceeding 80V fitted with connectors |
| 854459                 | Electric conductors for a voltage >80V but not exceeding 1,000V, nes |
| 854810                 | Waste and scrap of primary cell |
| 870840                 | Transmission for motor vehicles |
| 870911                 | Work trucks, electrically powered, for use in factories and warehouses |
| 870919                 | Work trucks not electrically powered |
| 871310                 | Wheelchairs, mechanically propelled |
| 880190                 | Balloons, dirigibles and non-powered |
| 900590                 | Parts and accessories (including mountings), of item of heading 90.05 |
| 900921                 | Photo-copying apparatus, incorporating an |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
| Code   | Description                                                                 |
|--------|-----------------------------------------------------------------------------|
| 900922 | optical system, nes                                                         |
| 900930 | Contact type photo-copying apparatus nes                                    |
| 901530 | Thermo-copying apparatus                                                    |
| 902119 | Surveying levels                                                            |
| 902790 | Orthopaedic or fracture appliances, nes                                      |
| 902890 | Microtomes, parts and access of inst and app for physical or chemical analysis, nes |
| 910199 | Pocket –watches and other watches with case of precious metal, nes           |
| 910390 | Clocks with watch movements, nes excluding clock of heading no 91.04        |
| 920993 | Part of accessories for the musical instruments of heading no. 92.03        |
| 930610 | Cartridges for rivetal similar tools/for captive bolt human killers including parts |
| 950330 | Construction sets and constructional toys, nes                              |
| 950349 | Toys nes representing animals or non human creatures                        |
| 950669 | Balls, nes                                                                  |
| 960190 | Animal carving material (other than ivory) and articles of these materials  |
| 960310 | Brooms/brushes of twigs/ other veg.mat bound together, with/without handles |
| 960330 | Artist, writing and similar brushes for the application of cosmetics        |
| 960630 | Button moulds and other parts of button, button blanks                       |
| 960850 | Sets of articles from 2/> fore gog subheadings (pens, markers, pencils)      |
| 961320 | Pocket lighters, gas fuelled; refillable                                    |
| 961380 | Lighters, nes                                                               |

**BOTSWANA A MONO-DIAMOND ECONOMY OR NOT?**
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