

Public Lecture by the Deputy
Managing Director of the IMF,
Mr. Shinohara, March 30th, 2011

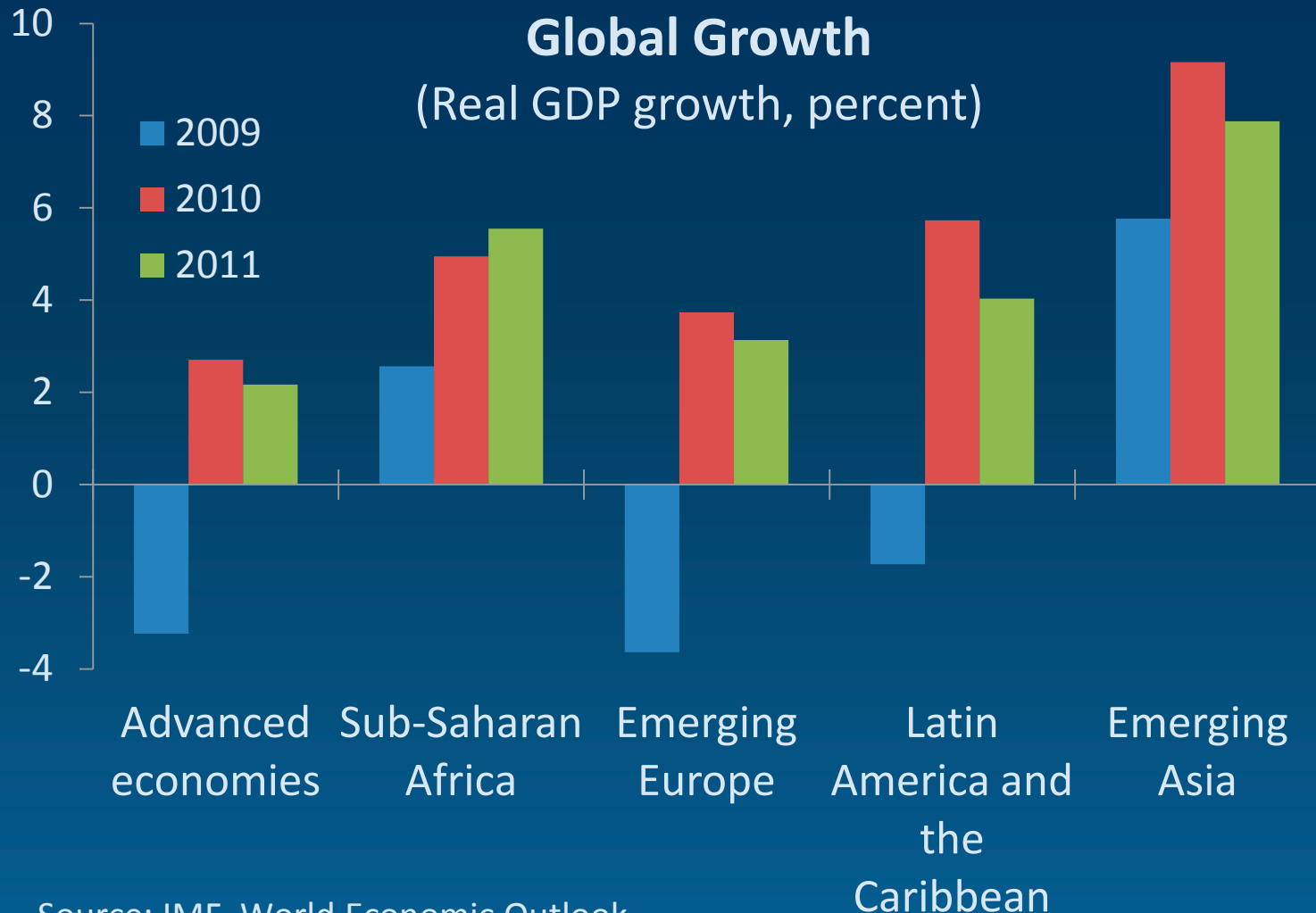
“Natural resources and
Development: Confronting Emerging
Challenges in Botswana”



Plan of the Lecture

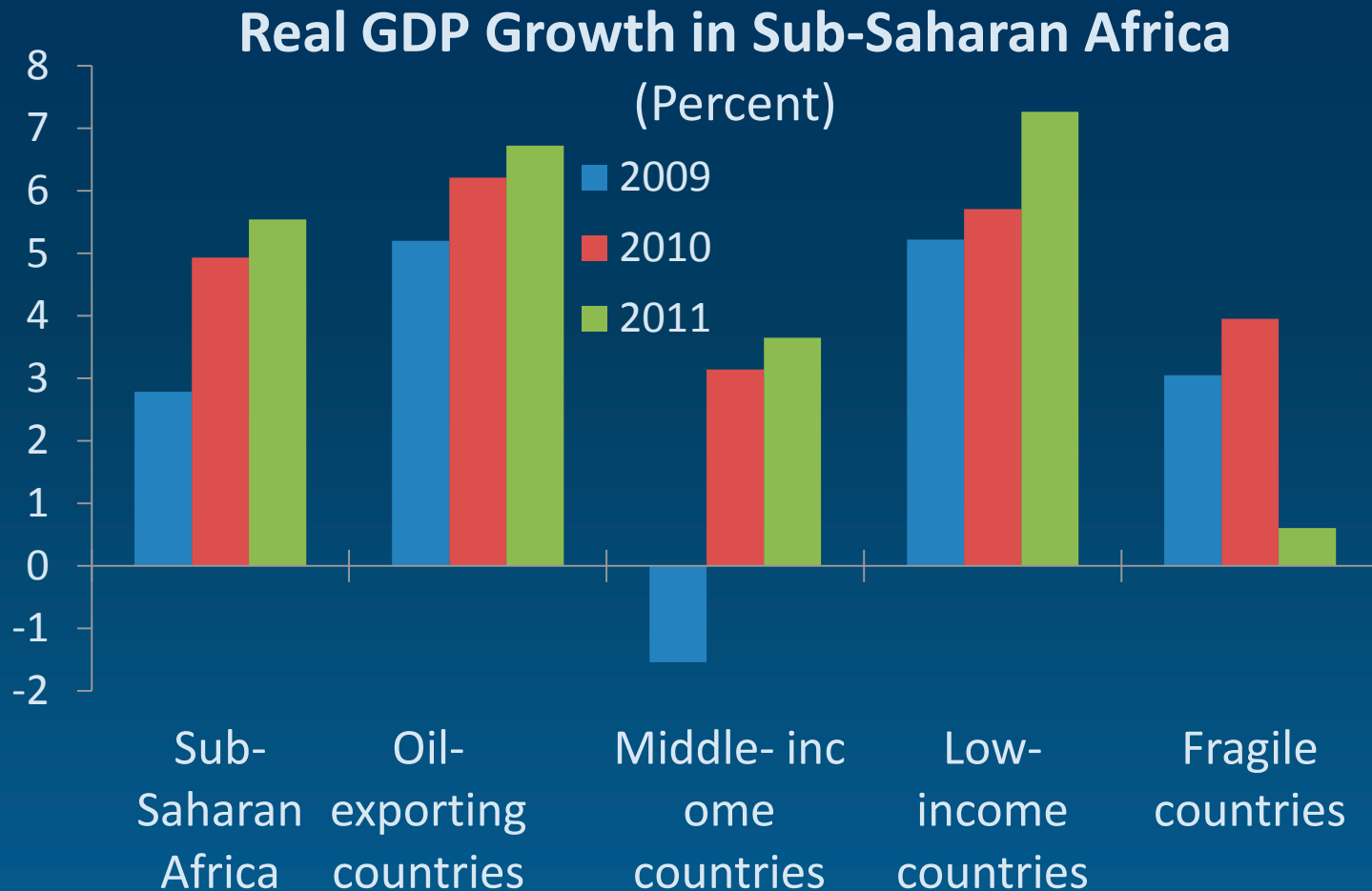
- IMF's outlook for the global economy and for sub-Saharan Africa region
- Sustaining high growth in Botswana:
 - (i) Private sector led development;
 - (ii) Tackling high unemployment;
 - (iii) Strengthening fiscal institutions.

The global recovery advances but remains uneven



Source: IMF, World Economic Outlook.

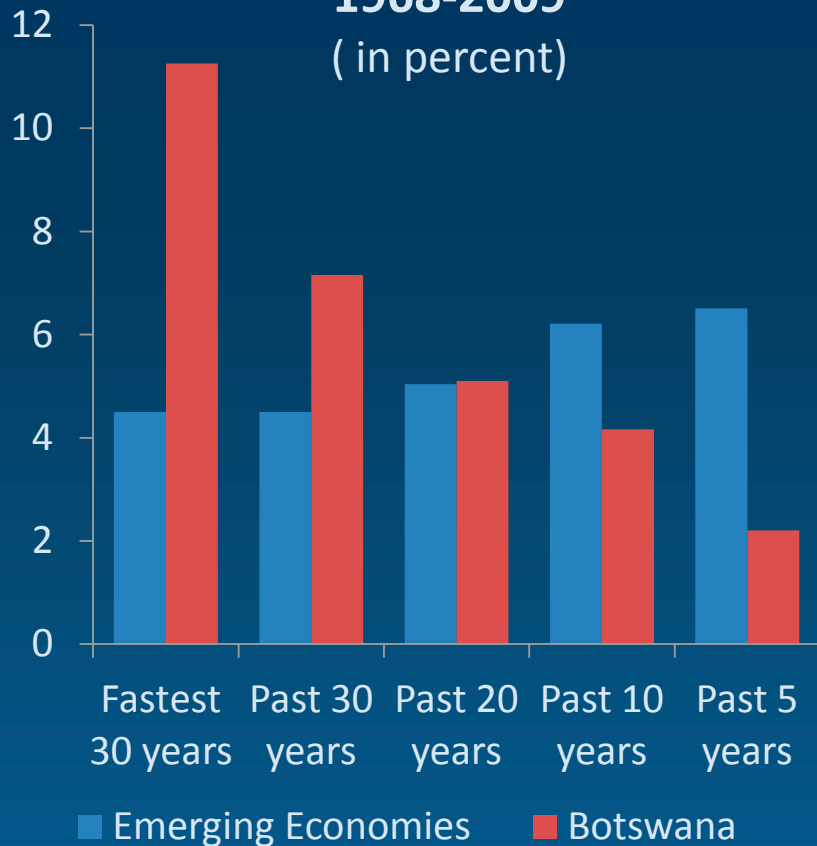
Outlook for GDP Growth in Sub-Saharan Africa



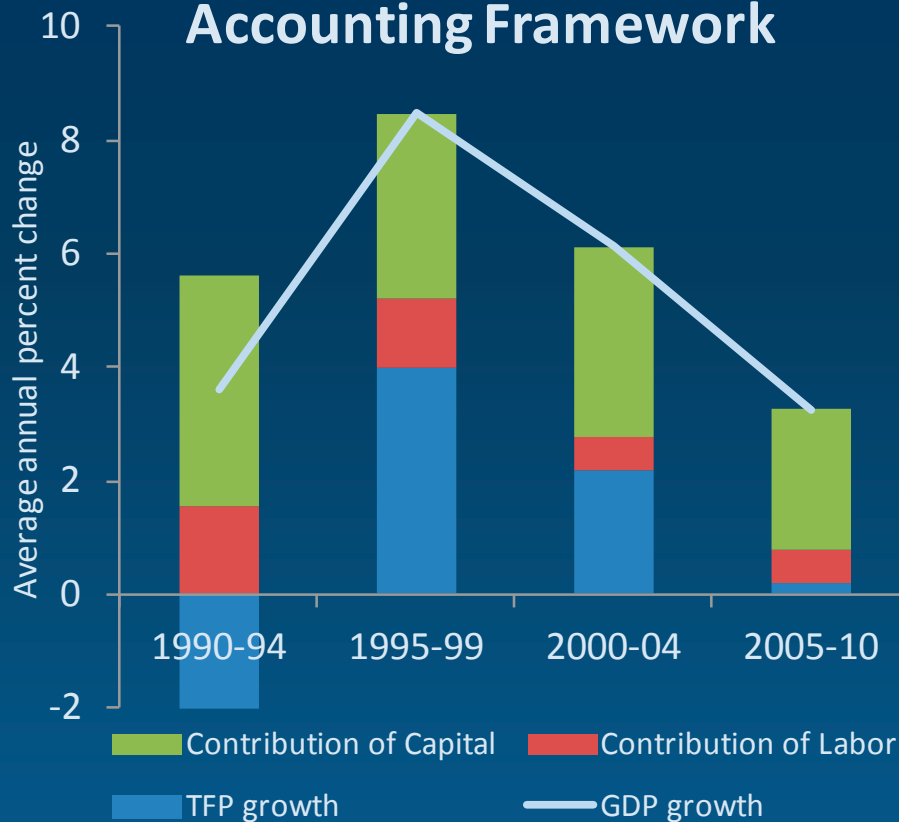
Source: IMF: African Department database.

Growth Performance

Real GDP Growth Rates, 1968-2009
(in percent)



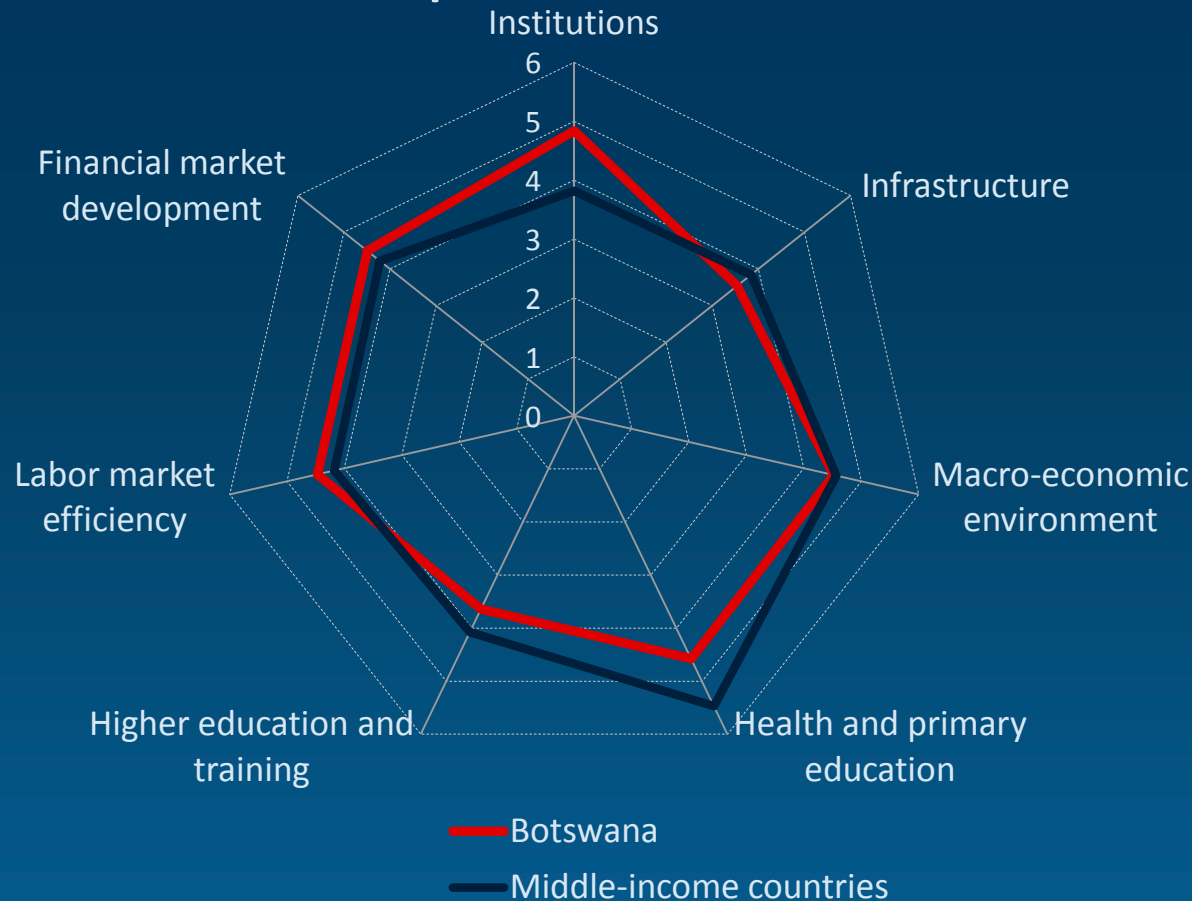
Botswana: Growth Accounting Framework



Sources: IMF, World Economic Outlook; and staff estimates.

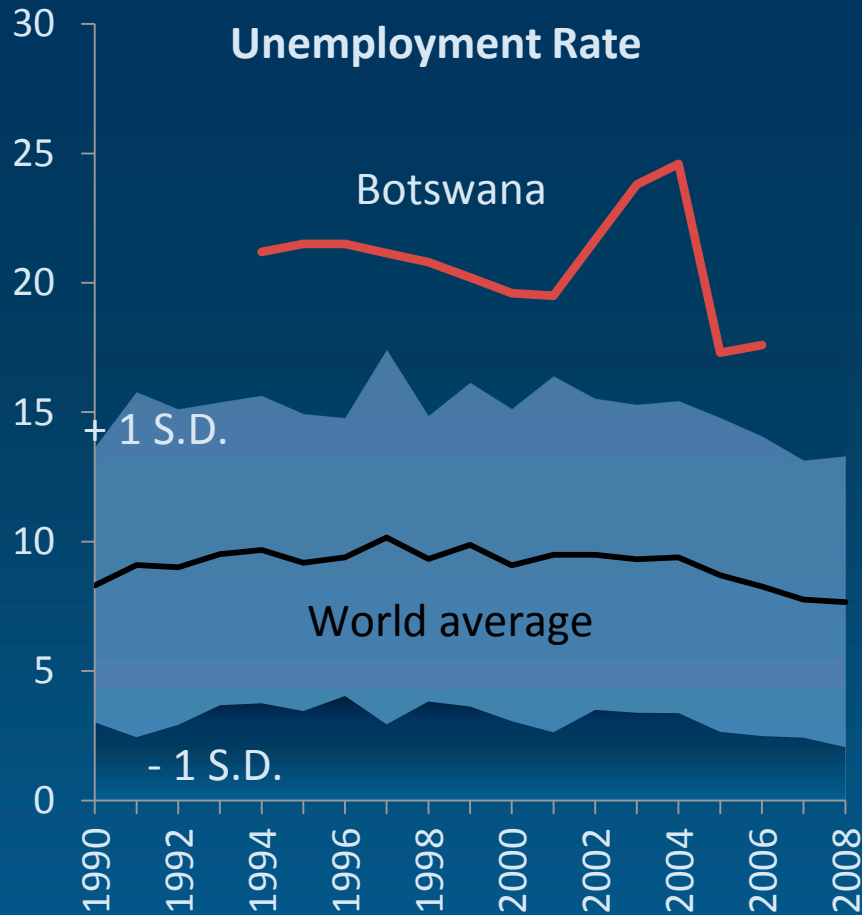
Competitiveness indicators

World Economic Forum: Competitiveness Scores

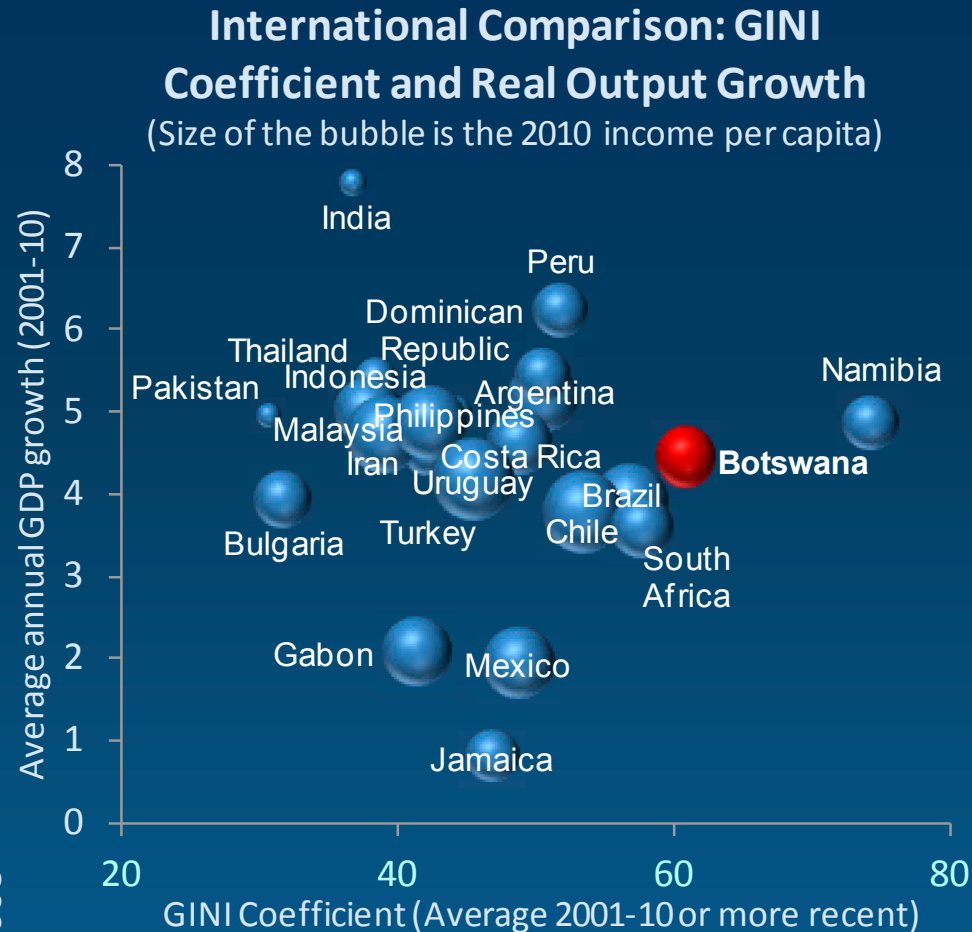


Source: World Economic Forum, The Global Competitiveness Report, 2010-2011

Unemployment, Inequality and Growth



Sources: World Bank, World Development Indicators.

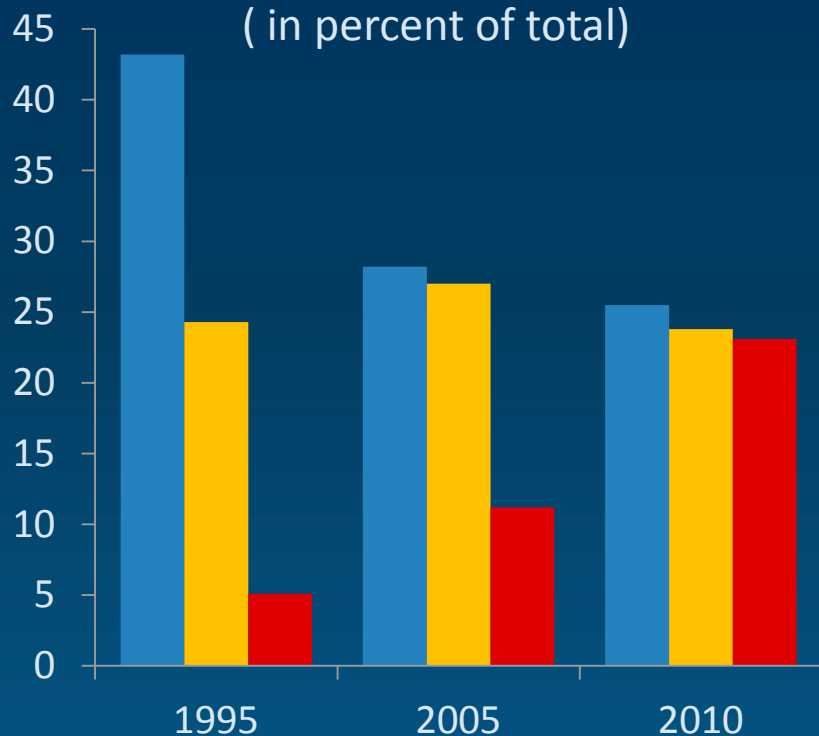


Sources: IMF, World Economic Outlook; and World Bank, World Development Indicators.

Geographic composition of sub-Saharan Africa's trade

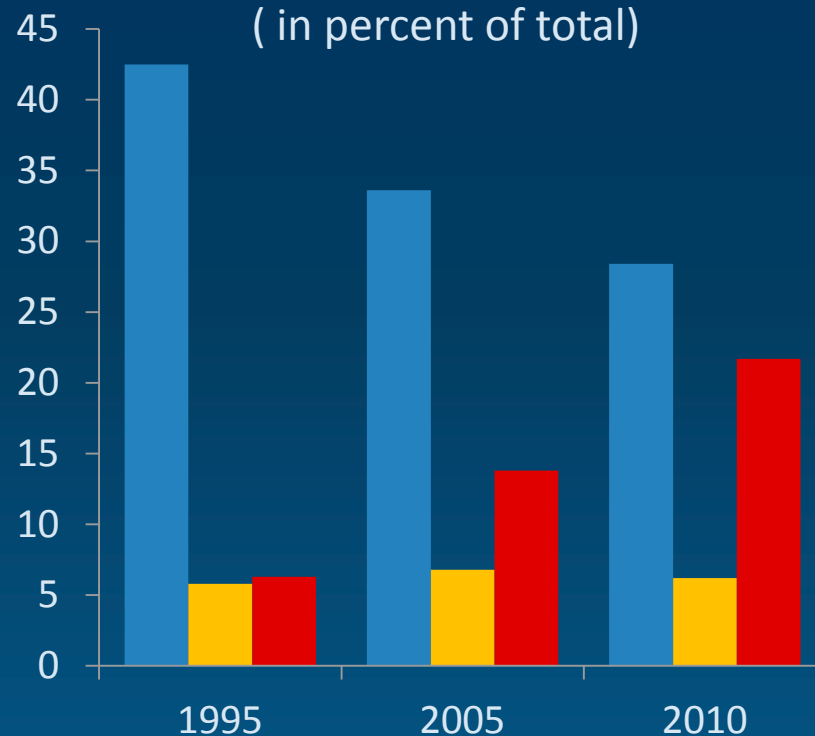
Exports by Destination

(in percent of total)



Imports by Origin

(in percent of total)



■ EU ■ United States ■ BRICs

■ EU ■ United States ■ BRICs

Sources: IMF, Direction of Trade Statistics.

Conclusions

Global economic outlook:

- Global recovery continues but in an uneven pattern
- Sub-Saharan Africa is experiencing a solid recovery

Laying the foundations for sustainable growth in Botswana:

- Enhancing greater private sector development and achieving economic diversification;
- Reducing unemployment and steering broad-based growth;
- Strengthening fiscal institutions to smooth macroeconomic volatility.