

Vision 2016 and the Economics of Education: a case study of two former BAC students

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Slide 1

Good morning ladies and gentlemen; Baitshapi Tebogo is my name. “We are limited, not by our abilities, but by our vision”, goes a common adage. These are inspiring words; which upon reflecting on- I decided to partake in this discussion.

My presentation would start by looking at the historical background of Vision 2016, and how it relates to education with some emphasis on the experiences of two former BAC students. This, to some extent, inspired the wording of this presentation: [Vision 2016 and the Economics of Education: A case study of two former BAC students](#).

Following the historical background, the discussion would then move on to address the importance of a vision in general, and what vision 2016 stands for- with particular emphasis on the educational pillar.

Economics of Education would be explored in depth, before the presentation ventures into the case, and then the conclusion.

Motivation for this paper

I was motivated into presenting this paper after realising how little I knew about Vision 2016; and not just me, but some of my colleagues- for I

remember sometime ago, a colleague whilst we were having a casual time over tea asked what the pillars of this vision were. I didn't know, and I believe the same could be said of the many who were present and not present. This, therefore, is my way of contributing to the discussion and enlightening on this important vision. This is important, for research shows that Africa is likely to continue lagging behind in many important areas- especially areas economic (2008 World Fact Book)- but this vision, however, tries to create an awareness on what we should be striving for, to find our rightful place in the new world order.

Approach to this paper

The report relies mostly on secondary data; and a more qualitative approach has been adopted in the analysis of the data collected

Limitations

- a) Lack of statistical analysis to measure relationships could be viewed by those quantitatively oriented to be a limitation, e.g. the use of regression models to measure correlation between education and economics (GDP)
- b) Literature review, mostly based on external sources; the assumption has been that the fundamentals discussed are universal, hence would equally apply in Botswana.
- c) Data used in the case study based on oral interview, perhaps there could have been a triangulation of methods- more time might have made this possible.

Notwithstanding this limitations; this is a good paper and you are going to enjoy it.

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According to the Vision 2016 website, the discussion on developing a national vision gained momentum in about 1995/1996. This, as we know was during the reign of our former president Sir Ketumile Masire. He is credited with appointing a task force to lay the foundation for Botswana's long term vision.

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Vision 2016 has seven pillars, amongst which is a pillar on: **An educated and informed Nation**, which forms a foundation for my presentation. And, in my view, this pillar is the most important, as it supports other pillars- *this in a way is the bedrock.*

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Why is envisioning so important? And what is it all about? It's a dream, simplistically speaking. The importance is well captured by John Kotter [SLIDE].

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Talking about strategy and sacrifice, there is no story which inspires me more than that of Hannibal, the Carthaginian. The setting is the Mediterranean.

This is a legendary story on visionary leadership, and it is a story I heard, not so long ago, but have since decided to research it further.

For many years, the Roman Empire terrorised nations, especially those around the Mediterranean sea. The empire extended as far as North Africa. Even the beautiful Egyptian Queen Cleopatra, the last known Pharaoh had to form more than just a strategic alliance with Caesar, for the sake of peace.

Hannibal's leading of the Carthaginian army across the Alps stands as one of the most monumental military feats in ancient military history. Often called the 'father of strategy' for his visionary conduct of warfare, Hannibal was able to sustain a 15 year campaign against Rome because of his innovative cavalry tactics.

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Who is Hannibal? He was an African of North Africa descent. After his birth in about 247 BC in Carthage, N.E of modern Tunis in North Africa, Hannibal studied under his nobleman- father, Hamilcar Barca. During the 1st Punic war (264-241 BC) Hannibal accompanied his father to Spain to fight the Romans. Supposedly, during this unsuccessful campaign, Hannibal swore to his father an eternal hatred of Rome and promised to dedicate his life to fighting the empire. [I swear so soon as age will permit...I will use fire and steel to arrest the destiny of Rome]

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In 221 BC Hannibal, now in his mid-twenties, had the opportunity to fulfil his vow. On the death of his brother in law, Hannibal assumed command of the Carthaginian forces on the Iberian Peninsula. Within 2 years, he had subjugated all of Spain, violating Carthaginian treaties with Rome. The Romans

demanded that Carthage surrender Hannibal to them, and when the city refused, they declared war in 218 BC, the beginning of the 2nd Punic war.

Rather than respond to Roman tactics, Hannibal decided to take the war directly to Rome. In September 219 BC he set out with an army of 50,000 men and 40 elephants to cross the Alps. Despite heavy losses of men and animals to bad weather and hostile mountain tribesmen, Hannibal succeeded in his epic 15 day trek, and his better trained and disciplined army defeated the unprepared Romans in the battles of Ticinus and Trebia. Hannibal now occupied Northern Italy. Recruiting local Gauls, traditional enemies of Rome, Hannibal moved south. During 217 BC Hannibal defeated Roman consul Gaius Flaminius at Lake Trasimeno.

Long after his death, his name continued to carry a portent of great or imminent danger within the Roman Republic. It was written that he taught the Romans, who claimed to be fierce descendants of Mars, the meaning of fear. For generations, Roman housekeepers would tell their children brutal tales of Hannibal when they misbehaved. In fact, Hannibal became such a figure of terror, that whenever disaster struck, the Roman Senators would exclaim “Hannibal ad portas” (“Hannibal is at the Gates!”) to express their fear or anxiety.

I believe we have learnt a thing or two from Hannibal’s march with respect to visionary leadership- or envisioning, in general. That is, no matter how improbable a vision may be, as long as you persevere you will ultimately succeed. So, the same could be said of our vision 2016- it is achievable!

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I, however, move on to posit that a vision develops through education- this education, of course, could be formal or informal. As said, [SLIDE] education's purpose is not to fill up students' mind with facts- but to teach them to think; i.e. students need to develop cognitive skills- this is how, therefore, education is important in envisioning and development of strategy. Most, importantly, education's purpose is to replace an empty mind with an open one. Fortunately, at BAC that is what we are doing since our courses educate students to think in context.

It is an irrefutable fact that education has played a crucial role in the development of certain countries. These are countries, which when you come to think about, have very little in terms of natural resources. Through education, they were able to use other nations' resources to produce finished, and value added goods. Japan, Singapore are just some of the examples. The Sri Lankan economy, despite the ongoing civil war, has been doing comparatively well. One of their major success stories has been in textile, where as a result of understanding the importance of *critical mass* they are able to minimise operating costs. In total, there are about 900 factories throughout country, and these serve the world's leading fashion designing companies like [Victoria's Secret](#), [Liz Claiborne](#) and [Tommy Hilfiger](#). Their secret, they just produce lingerie, in mass.

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Developing countries have an opportunity to catch up with technology- they do not have to re-invent the wheel, as the saying usually goes. They can fast

track their development. But such fast tracked developments can't be realised unless people are properly trained.

The other day, I was chatting with a friend who used to work for a large, local manufacturing company. The story he told me goes like this: the CEO of a company he worked for went to Germany on a business visit, but since he relished travelling alone did not take any of his junior managers to accompany him. He met with some German businessmen who convinced him to buy an expensive, sophisticated and supposedly efficient machine. He was convinced, for he could see it in operation. The machine was eventually delivered in Botswana, but alas- nobody at the company knew how to operate it. So, the machine just laid there, collected dust, rusted and quickly depreciated- as workers went back to working on their old, familiar machinery.

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In discussing the concept of Economics of Education – it is probably worthwhile looking at the ROI concept, [SLIDE] in as far as it relates to education. Essentially, the basic theme here is that there are returns associated with getting an education.

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Discussions as relates the economic benefits of education started a long time ago. Nobody can claim to know exactly when, but:

The most notable contribution came from a 19th century economic writer,[SLIDE] Adam Smith in his book: The Wealth of Nations.

Slides: 12,13,14,15,16

Putting things a bit into perspective, let's examine 2 global maps. [SLIDE] The 1st one shows the World Education Index; and the 2nd shows the World Economic Index, by country. Putting them side by side, they provide a good pictorial view, of how they are related. Through inductive analysis, we can conclude that there seem to be some strong positive correlation between GDP and Education.

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A study done by Hanushek et al (2001) [SLIDE] for UNESCO indicated a strong forecast for GDP growth, as a result of quick educational reforms. Basically, the quicker the reforms to improve education, the higher the projected growth in GDP.

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Going back to my earlier analysis of ROI, take a look at the following example, which I believe should strike a chord with most of us. What do you reckon to be ROI?

General benefits: slide 20

The case:

Slide 21

Kebonyemodisa

Kebonyemodisa completed ACCA in 2001. As a young boy growing up he dreamt of owning his own business. His inspiration, he says he got from his

father who used to own a small shop in the village of Matlapaneng- in the North West District. He used to help in the shop, he says, by selling as well as with other tasks assigned to him by his parents. And, would normally be given an allowance for his efforts.

So, having studied strategy in his ACCA he felt that he had what it takes to run his own business. He did not want to start another small shop, he told me. The margins on merchandise, in a retailing business are small, basically, to be successful you have to trade in mass- and open a number of branches. Upon completing the final ACCA exams he joined a Tourist Tour company in Maun. He rose through the ranks, from being an Accountant, through Finance Manager/ Operations, and then Assistant General Manager.

He later resigned, formed his own tour operating company and applied for a loan through CEDA. He succeeded in his loan application, and with the money he was able to acquire some 2nd hand trucks from CTO auction. He also bought 2 boats. As we speak, he is a success story, and still operates the business. He has been able, so far, to create employment for about 5 people. He has been approached by some other young business entrepreneurs, who want to form joint operations. Negotiations were continuing at the time this report was written.

Maria

Maria grew up in the village of Bokaa in the Kgatleng District. At an early age he dreamt of being a doctor, for she was inspired by her aunt with whom she was staying. Her aunt was a nurse at a local clinic. When she completed her

O'level studies in 2001, she worked temporarily for KBL as an Accounts clerk. It was not that she wanted to be an accountant. In her own scheme of things, she was just passing time- and she always confided in her friends how she wanted to be a doctor one day. Her boss, Modiri, who was a CIMA graduate asked her one day if she has ever heard of the CIMA programme- and, how she can accelerate her studies by starting from the foundation level- which could actually be completed in less than a year. She became interested, not just because of the time she would save, but because of the International appeal of the programme. It was then that she started reading towards the CIMA programme, completing in 2005.

After completing the programme, she went back to KBL to work- but then resigned early last year to join his brother in a partnership. His brother graduated from the Botswana College of Agriculture with a degree in Agriculture. They felt, their professions complemented each other- so it was suiting that they join forces and try their hand in agriculture. Fortunately for them, they inherited a farm in the Talana area, where they are now growing a variety of crops; poultry farming and running a piggery. The venture is currently employing about 15 permanent staff members; and more jobs are projected to be created during the harvesting season.

These two cases, in my view, serve to illustrate that it is possible through education to realise Vision 2016, or at least some aspects of it.

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Why should you care?[SLIDE]

You ought to care because our continent needs help. Africa is lagging behind in various aspects. There is need for an educated pool of professionals. [Go through the points raised on slide]

Slide 23

Future [SLIDE]