

Quill Hermans' Role in the Development of Botswana Alongside Seretse Khama and Quett Masire

*Derek Hudson**



Hermans shows late president, Seretse Khama, the new Pula notes at their launch on 22 July 1976

Christopher Lamb ('Quill') Hermans was born in Cape Town in South Africa on 23 December 1936. During his youth, he enjoyed several holidays at his grandfather's large cattle ranch at the Setlagoli valley outside Mahikeng, and learned a fair amount about the art of cattle farming. When he was quite small, his elder sister Diana had difficulty pronouncing 'Christopher'. She called him 'Quillifer', and the 'Quill' nickname stuck. He passed his post-matric exams with distinction at the Diocesan College for Boys in Cape Town ('Bishops school') in 1954.

While his parents were away on a holiday in Europe, he got up to a prank with a cousin. The latter dared Quill to put a dressing gown over his head, while the cousin put a tiny silver sugar ball in his 'Daisy' pellet gun, then shot Quill through the dressing gown. Very sadly, the silver ball went straight into Quill's right eye and immediately destroyed it. Quill's parents rushed back to Cape Town, but there was nothing they could do about it except to help Quill to be fitted with a glass eye.

His parents sent him to Trinity College, Oxford, England where he did a bachelor's degree in

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Geography. While there, he met an American scholar, Hugh Gallagher, and his charming American sister Janet, who wheeled Hugh around Oxford in a wheel chair, because Hugh was a polio victim. Quill and Janet fell in love. They continued their courtship in Washington DC and were married there in January 1961. They had three children, Tim, Jenny and Tessa, the latter being delivered by Dr Merriweather in Molepolole.

On his return to South Africa after completing his degree at Oxford, Quill went to work for the Ministry of Finance of the Bechuanaland Protectorate (BP). The BP government's administrative centre, popularly known as BP's 'capital', was located at the Imperial Reserve in Mahikeng. BP was the only country in the world which had its own 'capital' outside the boundaries of the country.

As part of his job of getting to know the future Botswana, Quill was sent from Mahikeng to Ghanzi, both to interview the white Afrikaner farmers there, and to get to know some of the Basarwa living in the Central Kalahari Game Reserve. As the time approached in the mid-1960s when BP was due to become the independent country of Botswana, BP's civil servants were offered the choice of either becoming temporary civil servants, subject to localisation by Botswana citizens; or they themselves could become Batswana and join the then small cadre of permanent and pensionable civil servants. Quill chose the latter.

In 1965, Quill and Janet joined the 'circus train' as the entire civil service transferred to Gaborone, the new capital of Botswana. Janet and Quill were in the audience at the national stadium, when, at one minute after midnight on 30 September 1966, the union jack was lowered, the Botswana flag was raised for the first time, and the new country Botswana was born.

On arrival in Gaborone, Quill worked with Archie Mogwe, Dr John Letsunyane, Satar Dada, Euphemia Tlhapane, and Phopi and Doreen Nteta to set up the Notwane Tennis Club. Their objective was to start a sports club with a relaxed atmosphere, where black and white residents of Gaborone could mix happily together. Quill was pleased that Euphemia Tlhapane volunteered to be the club's first tennis coach, so that younger generations of Batswana could learn to play tennis. Quill himself won several national tennis titles. Consistent with what was hoped would be a lengthy career in the Botswana civil service, Quill was awarded a United Nations' fellowship at Vanderbilt University in Nashville, Tennessee, to do a Masters degree in Development Economics.

About two years after independence in 1966, Quill was involved with Sir Ketumile Masire, then Vice President and Minister of Finance, in a discussion about the advantages of unifying the two separate ministries of Finance and Economic Development. This would have the effect that all the necessary discussions to iron out differences between what the economists wanted for Botswana, and what the accountants said could be afforded, would take place in private, inside the new ministry, and not in front of all the other ministers at a cabinet meeting. As a result, the combined Ministry of Finance and Development Planning (MFDP) came into being.

As part of Quill's duties as the 30-year-old Permanent Secretary of MFDP, and under the direction of Masire and with the approval of President Sir Seretse Khama, Quill set up both the National Development Bank (seasonal loans for farmers) and the Botswana Development Corporation (mostly projects which required considerable capital and which would be run on a commercial basis).

Under Masire's watchful eye, and as the first Permanent Secretary of MFDP, Quill and the first Director of Economic Affairs (DEA), Pierre ('Peter') Landell-Mills oversaw the creation of a cadre of economic planning officers at critical points in the civil service; the so-called weekly 'prayer meeting' of senior planning officers under the chairmanship of the DEA; the creation of the 'Economic Committee of Cabinet' under the chairmanship of the President where major matters of principle could be discussed among the cabinet ministers and a handful of senior civil servants, including all the Permanent Secretaries; and the continuation of a highly effective system of rolling five year National Development Plans, which had been started by Pierre.

Pierre and Quill together set up an informal discussion group at peoples' private houses. The idea

was that Masire and selected senior planning officers would discuss the economic principles underlying each ministry's major development projects in a collegiate, non-confrontational manner.

Quill was awarded the Presidential Order of Meritorious Service (POMS), of which he is justifiably proud. It soon became obvious to everybody at MFDP that there was a critical need for a new source of government revenue. Masire, Quill, and Pierre began to discuss a new revenue-sharing formula whereby the total of the customs and excise duties collected by the South African government on behalf of the Southern African Customs Union (SACU) of Botswana, Lesotho, South Africa and Swaziland might be shared out more fairly. Eventually, Masire, accompanied by Quill and Pierre, took their draft formula to a SACU meeting in Pretoria, where their proposed formula was discussed by the four countries of the Customs Union. When the meeting was close to agreement on the proposed formula, but needed one more detail to be put in place, Masire had a private discussion with his SA counterpart. The two of them agreed the last detail, and the famous revenue sharing formula of SACU was born.

As anticipated, this new revenue sharing formula produced a sudden large increase in Botswana's annual revenue. This allowed Botswana to balance its own income and expenditure accounts, without having to continue to depend on the grant-in-aid which Britain had been supplying until then.

In the mid-1970s, it gradually became clear that Botswana would be better off if it were to adopt its own currency, rather than continue to use the SA rand. Seretse appointed Quill to chair the relevant committee of enquiry, based on Masire's recommendation. The commission recommended to the Botswana cabinet that Botswana should: a) institute its own currency, without the continuation of SA's exchange controls; and b) proposed the two pieces of legislation that would be required to give effect to this recommendation. They were:

1. the Bank of Botswana (BoB) Act which described the new central bank's responsibilities, including the crucial relationship with the MFDP, the way that the BoB's profits would be shared with the Botswana government, and the BoB's relationship with the International Monetary Fund (IMF); and
2. the Financial Institutions Act, which described how the BoB would henceforth supervise all the commercial banks in Botswana. This included what the Governor of the BoB had to do whenever there was a crisis with any of the commercial banks.

For example, Quill prevented a run on the local branch of the Bank of Credit and Commerce International (BCCI) when the headquarters in London went bankrupt; but the Botswana branch of BCCI was in such good shape that Quill managed to convince another Botswana commercial bank to buy it. This all happened speedily and in secret, before any customer of BCCI started to panic.

The BoB Act also prescribed that the central bank would manage the way that the exchange rate for the pula would be calculated, and that it would manage the investment of Botswana's foreign exchange reserves. In 1975, Quill was appointed governor-elect of the forthcoming central bank. In this capacity, Quill oversaw the national opinion poll to decide on the new currency's names, pula (rain) banknotes and thebe (a shield) coins, the design and printing of the new pula banknotes by a high security printing firm in England, the minting of the new thebe coins, the choice of the launch date ('Pula day', 23 August 1976), and the careful planning of the many far-flung locations in Botswana where rand currency would be exchanged for Botswana's new pula currency. These locations included the co-operative store at Etsha on the far west side of the Okavango Delta, which had to be re-supplied with additional pula after the first tranche of pula was quickly snatched up within the first two weeks of the currency exchange.

The currency exchange, assisted by Seretse's picture on the banknotes, was so popular that Botswana broke the record of the IMF by exchanging 90 percent of the rand bank notes in circulation in Botswana within six weeks. In due course, Quill became the first Governor of the BoB.

In 1986, Quill and Janet were divorced. Quill subsequently married Vonna Deulen –they had a daughter, Lesedi, who now lives in South Africa.

During his career, Quill took on a wide variety of major responsibilities, both inside and outside Botswana. The most important of these assignments was a ten-year stint with the World Bank in Washington, DC, from 1977 to 1987. His many assignments for the WB included being the World Bank’s Resident Representative in Bangkok, Thailand for two years, where he supervised the World Bank’s foreign aid to Cambodia, Laos, Thailand and Vietnam.

Back in Botswana in 1987 as the re-instated governor of the BoB, Quill started the Botswana Institute of Bankers to train Batswana in banking. He worked closely with Mike Stevens, the next DEA, to plan the first 5% upward revaluation of the pula in April 1977, which President Masire strongly approved of. Quill was also appointed to be the first chairman of the Botswana International Financial Services Centre. He also became the first chairman of the Botswana branch of the international anti-corruption group Transparency International.

As for community service he helped to found the ‘Bana ba Metsi’ (‘Children of the water’) secondary school for disturbed boys at the upper reaches of the Okavango River in north-west Ngamiland. Finally, after his retirement from the BoB, he became the first Motswana chairman of the First National Bank of Botswana.

Quill and others in the civil service were successful in their jobs for three reasons. Firstly, they were encouraged by Sir Seretse Khama and Sir Ketumile Masire to think freely about the major issues of the day. Secondly, ministers listened very carefully to the advice they were given and acted on the advice they agreed with. Thirdly, unlike some other countries with mineral riches, there was no corruption to prevent Botswana’s share of the diamond profits being prudently used for the benefit of all Batswana.

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