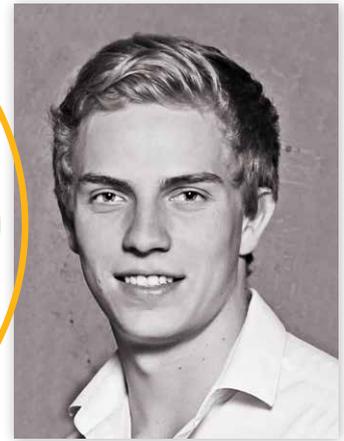


Schalk Willem Bothma

HOMETOWN	Ermelo, South Africa
UNIVERSITY	University of Stellenbosch
FUNDING	Student Loan

IN 10 YEARS' TIME...

I see myself running my own business/company or managing a hedge fund's investment portfolio, while making enough time for family and travel.



Essay synopsis

Despite certain studies arguing that corruption catalyses economic growth in some cases, corrupt behaviour leads to suboptimal economic performance wherever it occurs, asserts Schalk. The costly burden that corruption places on a country transcends the monetary value of the corrupt transactions and is more damaging than the mere decline in the annual GDP growth rate.

Corruption lowers the quality of public investment and increases its cost, with fraudulent procurement processes resulting in infrastructure that is suboptimal or completely dysfunctional.

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Foreign direct investment is a key determinant of long-term growth but corruption leads to higher perceived risk, deterring both foreign and local investors.

Corruption hurts entrepreneurs who are reliant on licences and permits, for which bureaucrats subject them to heavy bribes.

Corruption causes the composition of government expenditure to change, with state funds diverted away from the health and education sectors to fund large, complex infrastructural or military projects. Corruption disrupts the tax revenue structure and impedes the collection of taxes.

Corruption necessitates increased government borrowing, but since corruption slows economic growth, the more corrupt the government, the less likely it is to pay off its debts, resulting in higher interest rates and further increasing public debt.

Finally, says Schalk, the poor are hurt disproportionately by corruption, as the state's ability to provide basic services to citizens is undermined, feeding injustice and increasing inequality. This creates a vicious cycle, as inequality feeds off corruption and vice versa.

More about Schalk

Favourite subjects:
Economics and Philosophy.

Interests:
Reading, Hiking, Tennis, Hockey, Golf as well as Investing and trading stocks and cryptocurrencies.

Inspired by:
My parents, my sister, Gary Vaynerchuk and Tim Ferris.

Main achievements:

- 8 matric distinctions with an 85% average.
- ATKV Public Speaking Finalist 2015.
- Maties Interresidence Debating Finalist 2017.
- ATKV Toneelfees (Afrikaans Theatre) Finalist 2017.

Community activity:

- Dagbreek men's residence water saving initiative
- Dagbreek Men's Residence Jooltoer (2016 and 2017) a tour to raise money for Maties Community Service and visit old age homes and homes for disabled people).