Migration and Development
Dependence on South Africa: A Study of Lesotho

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Scandinavian Institute of African Studies, Uppsala
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Preface and acknowledgements

During the 1980s Lesotho has joined with other countries in a common effort for the liberation of South Africa. A century ago Mosheshoe I created the tradition of independence from South Africa by developing international links with other countries. The present king, Mosheshoe II, with the support of his former Prime Minister, Chief Leabua Jonathan, has continued this royal tradition.

The increasing awareness of the political history of Lesotho can partly be explained by an interest in the types of influences that small dependent states possess. Lesotho is also of interest in examining the future conditions of a liberated South Africa.

When this book was first published, although censored in Lesotho, it was quickly sold out. Interest in a new edition has increased as the government of Lesotho has sought to broaden its foreign relations while giving more open support to the anti-apartheid struggle.

I was already preparing a new edition when, in January 1986, there was a coup d'etat by the constitutional monarch of Lesotho. By that time support for the Jonathan government had already declined. Political change became necessary with the additional pressure of South African sanctions against Lesotho. The coup met with almost no internal opposition, as had been the case after the earlier coup of 1970. Whether this is a sign of a move to a more popular government remains to be seen.

This book analyses the political conditions in a migrant labour state and its internal and international linkages. Through a deeper knowledge of these conditions we can more accurately foresee the future development of this part of southern Africa.

I would like to thank all those who have assisted with the updating of this book. I particularly wish to thank Anna Norrman of the Department of Peace and Conflict Research at the University of Uppsala, who typed this offset edition, and Karl Eric Ericson of the Scandinavian Institute of African Studies, Uppsala, who have the responsibility for its distribution. The Swedish Council for Research in the Humanities and Social Sciences and the Swedish International Development Authority (SIDA) financed this book.

Bromma October 1, 1986

Gabriele Winai Ström
It is unusual that a dissertation gets such strong political reactions as this book received, when first published. It was not only censored in South Africa and Lesotho, but it resulted in extra-ordinary cabinet meetings and discussions in the parliament of Lesotho.

Today it is, however, accepted in Lesotho as one of the best analyses of recent political events. Since the book is also still high in demand by both academic and politically interested readers elsewhere I am happy to see this second edition published.

Leif Lewin
Johan Skytte Professor of Eloquence and Government
Chairman of the Department of Government,
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Abbreviations

AAPC  All-African Peoples’ Conference
ANC  African National Congress (of South Africa)
BAC  Basutoland African Congress (called BCP after 1960)
BCP  Basutoland Congress Party
BFL  Basutoland Federation of Labour
BNP  Basotho National Party
CPDO  Central Planning and Development Office, Maseru
CPL  Communist Party of Lesotho
EDESA  Economic Development for Equatorial and Southern Africa (Investment Bank)
FAO  Food and Agricultural Organization of the United Nations
FP  Freedom Party
H.M.S.O.  Her Majesty’s Stationary Office (London)
IBRD  International Bank for Reconstruction and Development (also called World Bank)
IDEP  Institute for Economic Development and Planning, Dakar
IDR  Institute for Development Research, Copenhagen
IDS  Institute for Development Studies, Sussex
ILO  International Labour Organization
IMF  International Monetary Fund
LCW  Lesotho General Council of Workers
LNDC  Lesotho National Development Corporation
MFP  Marema-Tlou Freedom Party (emerged from MTP and FP, 1962)
MTP  Marema-Tlou Party
ODA  Overseas Development Agency
OAU  Organization for African Unity
OMI  Oblates of Mary Immaculate (Catholic Order)
PAC  Pan-African Congress (of South Africa)
SIDA  Swedish International Development Agency
UBLS  University of Botswana, Lesotho and Swaziland (after Nov. 1975 split into NUL, National University of Lesotho, and UBS, University of Botswana and Swaziland)
UDP  United Democratic Party
UNDP  United Nations Development Programme
1 Introduction

This case study deals with some political conditions of development in Lesotho. The focus is on political parties, state institutions and development policies during the period 1960 to 1975. Lesotho* is an enclave state surrounded by the Republic of South Africa and sovereign since 1966.

In this introduction I first discuss my focus, method and theoretical framework, and finally comment on source material on political conditions in South Africa.

My main focus of attention is on the state level, where I have related the state on the one hand to the international level, particularly Southern Africa, and on the other hand to the socio-economic and political conditions within the country.

Chapter 2 concerns the socio-economic structure in Lesotho as a background to the rest of the study. It has a longer historical perspective than the other chapters. The aim is to investigate in what way Lesotho became part of the international capitalist system, thus indicating where we should look for causes of present socio-economic relations.

In chapter 3 I analyse the ideas and the support of the two political parties in Lesotho which dominate the country's political life. In Lesotho there is a deeply rooted tradition of popular participation in politics. The conflict between dependence mechanisms and development goals is thus partly revealed in economic and political events.

In chapter 4 the changes in organization of and control by state institutions are characterized. Changes in the state institutions regarding organization and popular participation may reflect changes in the forms of dependence.

Chapter 5 is devoted to the development policies resulting mainly from features discussed in previous chapters. The development policies themselves, however, are also important in determining future political conditions for development. I also give two examples of how development policies in two areas, mineral and financial policies, are implemented. These were the two policy areas in which the government claimed to be most successful.

* Lesotho was named Basutoland by the British during the colonial period 1868-1966.
The purpose of case studies is to draw attention to generalizations that have been established otherwise, or to illustrate such generalizations. My aim is to draw attention to mechanisms of dependence and my method is to relate a number of questions on general tendencies, treated in the literature as typical signs of dependence, to the situation in Lesotho.

The extremeness of dependence in Lesotho makes it a test case for generalizations about tendencies treated in the theoretical literature on underdevelopment as signs of dependence. Thus when I study political conditions in Lesotho I raise the following questions:

1. Is production becoming less diversified and more disintegrated?
2. Are inequalities in welfare, wealth and income increasing?
3. Is the power base of the government decreasing?
4. Are state institutions growing in size and state activities growing in scope?
5. Is foreign control of human and material resources in society increasing?
6. Is economic growth increasingly emphasized as a goal of government policies, at the same time as the regime repeatedly fails to reach this goal?

The tendencies indicated in these six questions are sometimes treated as automatic indicators of dependence, although not always grouped together in the same study. It is time to systematically compare different signs of dependence with detailed empirical studies. Although it is not possible to reliably prove or disprove generalizations on the basis of one case study, and although the above signs of dependence are only some of those given in the theoretical literature on development and underdevelopment, a comparative discussion should be of general interest.

The six general questions raised are derived from the study of other societies than Lesotho, during the same period but also in the Third World. It is often argued that they are general signs of dependence, although other tendencies are also mentioned as typical of different kinds of dependence. Looking at these signs as caused by dependence does not exclude that they can also have other causes in other societal situations.

The first two questions are raised in chapter 2. The third and fourth questions are dealt with in chapters 3 and 4, and finally, in chapter 5, we shall meet the fifth and sixth questions.

Comment on question 1. Production tends to become less diversified and more disintegrated in dependent societies. What is meant is that specialization on a few economic activities tied to foreign companies is commonly believed to be a general sign of dependence. This is connected with a tendency for the specialized sectors to become integrated with the centre of the international system at the same time as these sectors become increasingly isolated both from each other and the rest of productive activities in the dependent country. This has implications for production, for employment and for the development of socio-economic and political groupings.
Comment on question 2. Dependent societies are believed to tend towards more pronounced inequality than both capitalist centre societies and less dependent Third World societies. This tendency is sometimes called "marginalization" in the theoretical literature on development and underdevelopment, meaning that more and more people tend to be deprived of possibilities to participate in employment and other aspects of society.

Comment on question 3. Minority governments thus tend to rule in dependent countries, since the majority tends to be left outside political participation. The demands of potential political majorities tend to be in conflict with the demands of centre capitalist interests. The socio-economic structure evolving from earlier dependence relations makes small elites powerful and tied to the centre.

Comment on question 4. The growth of state institutions empirically found in Third World dependent societies cannot be explained by the same factors as those explaining the expansion of state institutions in socialist countries or centre capitalist countries. State institutions in dependent societies tend to be large in relation to the low level of economic and welfare activities. The growth of state institutions in dependent societies is instead seen as an effect of the centre economies' need for administrative and political control in dependent countries.

Comment on question 5. Foreign economic control from abroad is sometimes considered the crucial sign of dependence. The dependence approach as summarized below in its Latin American version is, however, careful to stress that this is neither the only nor always the most important sign of dependence. This all depends on the historical duration of dependence and the way in which socio-economic and political structures have been transformed through dependence. Thus it is clear that Southern Africa and most of Latin America belong to a part of the Third World where dependence was established early by the most industrialized part of the world. Internal conditions might today be just as important signs of dependence as foreign control. I will came back to this aspect.

Comment on question 6. The last sign of dependence referred to above is the most vague and least systematically studied. It is mainly in Latin America that we find some discussion of the effects of external dependence on the formulation of government policies. Remembering the specific conditions of different Latin American countries, there are many examples of attempts to industrialize on a national basis which have failed to result in growth except for in small modern enclaves. Economic growth through foreign capital involvement but with little actual development in the countries concerned is also common. This latter aspect is often referred to as "growth without development".
In the following I define development, very crudely, in the same way as the United Nations: improvement in living conditions for the poor people in the Third World. This is a much narrower definition than is generally found in the literature on underdevelopment and development. The more narrow definition applied by the United Nations is, however, sufficient here, since I treat it as a value that is universally agreed upon and against which changes in political conditions are measured. I do not elaborate in this study on how improvement in living conditions can be measured.

Dependence is defined as a subordinate relation to the outside world. The internal signs and effects of external dependence are particularly stressed in this study. Dependence originated historically through foreign intervention from what is now the most industrialized part of the world. Today it works, however, both through the internal socio-economic structure established in the peripheral societies and through unequal foreign relations. It is treated as a crucial cause of underdevelopment, as is commonly done by the dependence school in studies of underdevelopment and development.

In my opinion T. T. Ewers and Peter von Wogau (1973) have made the best summary of this school and the theoretical implications for subsequent research. According to them, the following elements are common to scholars who use dependence as an explanatory category:

a. The situation of the countries in the Third World can only be explained if the role of external factors is accounted for. The political and socio-economic structure of a country in the Third World is not the result of an autonomous historical process. The internal and the external factors of dependence are today intertwined into an almost indistinguishable whole.

b. The present conditions in Third World countries were originally caused by external factors but the effects are typical characteristics of the socio-economic structures of these countries today. Underdevelopment therefore means change, not lack of change.

c. To overcome underdevelopment, external dependence has to be reduced. This can be done through transformation within the peripheral society.

d. Earlier static descriptions of conditions in Third World countries should be replaced by an analysis which accounts for the dynamics of change as well as the necessarily inter-disciplinary character of studies of underdevelopment.

Ewers and Wogau point out that the inclusion of external factors explaining underdevelopment was considered new by the theorists of social change predominating during the 1960s. But it was new in different ways to different scholars. Marxist scholars earlier stressed that a change in the total international system was necessary to change peripheral conditions. Imperialism as defined by Lenin and Luxemburg had, according to Ewers and Wogau, been seen as relevant mainly in relation to its effects on the class struggle in the centre. The perspective introduced by the dependence approach was that internal conditions of the peripheral countries could both be analyzed and changed from the periphery. Non-marxist scholars on
the other hand rediscovered imperialism as an important dimension. This re-discovery was largely a result of a crisis in the analysis applied by development planners who had earlier neglected negative internal effects of international relations but heavily stressed the possibilities to develop society from within.

Thus, the essence of the dependence approach is that relations with the surrounding world determine development in countries which are subordinately linked to the international capitalist system. This relation, thus, is not only a background variable.

The dependence approach grew out of a dialogue between Marxists and non-Marxists involving Latin American political scientists, sociologists and economists centred in Santiago de Chile. It influenced neo-Marxist scholars, mainly in France, but soon extended to non-Marxist scholars, mainly in North America. In the Latin American version of the dependence approach, the focus is put on the way dependence mechanisms are expressed internally. This focus is applied also in this case study. In Europe and North America, however, scholars focussed more often on the external part of the dependence relations. The dependence approach of course is not applicable only to peripheral societies. Not only do dependence relations affects the dominating party in an often neglected way, but such relations, although less extreme, exist also between developed countries. The mechanisms of dependence differ according to socio-economic and political conditions within the country under study.

A. G. Frank's book "Capitalism and Underdevelopment in Latin America" was one of many contributing to the theoretical dialogue, mentioned above. Since this book was one of the first to be published in English (1967), it was singled out and got wide publicity in Europe and North America. It should, however, be seen as a part of a broader discussion at the time, summarizing the work of other scholars of Latin America. What Frank had in common with most other scholars with whom he discussed was the descriptive generalization of the international system as a capitalist-dominated system consisting of central and peripheral parts. His specific interest was in tracing the historical roots of underdevelopment. He was criticized for mistaking today's society for the final stage of history. This bias in Frank's work is, however, not inherent in his method of analysis, but rather a result of his focus. This focus is not shared by many other scholars applying a dependence approach.

The dependence approach has been applied on African societies only later. Samir Amin, choosing analytical categories applicable to counter-dependence-strategies, bases his theory on the Latin American theoretical discussion and applies a dependence approach to conditions in African societies. After a thorough analysis of change in the system of international capital accumulation, he has devoted some efforts to defining both the effects of this system on the periphery and to defining a relevant counter strategy. Amin has a more relativistic view of history than Frank. He stresses the fact that centres have become peripheries and peripheries have become centres over time. But strategies for countries to change their peripheral positions which were relevant earlier in history
are, according to Amin, no longer efficient, mainly because of the new situation of world wide and tighter integration of the different parts of the international capitalist system.

The following "characteristics of underdevelopment" are elements of Amin's core theory:

1. Unevenness of productivity between sectors of production.
2. Disarticulation, meaning that the various sectors of the economy are disconnected from each other and that the economy is not self-centred, but directed towards external markets, lacking some of the sectors of production generally found in centre countries.
3. Domination from outside, meaning unequal foreign exchange relations.

Amin uses a broader development concept than the one applied here. To Amin, development is a complex process of social transformation, involving changes in capital accumulation and production. His argument is that development, i.e. social transformation, will result if these characteristics of underdevelopment are overcome. He calls this strategy "self-centred development". This is primarily based on a self-centred production. He does not recommend isolationism or autocracy, but stresses efforts to increase production also in the lacking sectors, i.e. production of means of production, and production to meet internal demand. Amin is thus primarily focussing on alternative strategies of raising production for internal needs.

An analysis of internal political conditions under dependence is given by the Latin American scholar F. H. Cardoso, who elaborates the political implications of changes in social groupings in Brazil as a result of the increasingly tight linkage of the Brazilian economy to the United States and Europe via multinational corporations. Cardoso's writings are theoretically ambitious and recently he has been concerned with specifying hypotheses in order to operationalize the concept of dependence. By testing each hypothesis he has found that changes in external relations are expressed in new forms and mechanisms of dependence internally.

It is not clear from the dependence approach how external and internal conditions interact in the given case. When the colonial system was established, it was easy to discriminate between external and internal conditions. But the closer we come to the reality of today and the more detailed the study becomes, the more difficult is it to define the difference. In early formulations of the dependence approach this problem was solved in a simple manner by classifying the social structure into three: foreign, middlehand and internal.

Empirical case studies are needed to improve our knowledge and to develop research methods which give the concept of dependence a better basis. This can, according to Ewers and Wogau, be done by
way of middle range questions, through which the concept of dependence can be specified into several hypotheses, which are then related to the case under investigation.

The following two points have frequently been made in the post second world war discussion on development among political scientists concerned with Third World studies. Both points have been made in the theoretical writings on societies in the Third World, but we should not forget that they are also of consequence for our understanding of societies in general.

a. The dependence approach. Many political scientists with widely different theoretical backgrounds agree, mainly after the dialogue in Latin America from 1960 to the mid-1970s, that the way societies are linked to the international system affects their internal socio-economic and political conditions. To understand the conditions of development we thus have to take international factors into account.

b. The criticism of the dependence approach. This has likewise come from scholars of different theoretical schools. The dependence approach is criticized for neglecting the specific situation of each country. The specificity of each country is seen as important both for explaining the different forms that society takes in different countries and for stipulating a relevant development strategy.

The criticism of the dependence approach has resulted in studies of specific conditions in peripheral areas. Such documentation is crucial for all further discussion. It is necessary to seek knowledge both at the general and the specific level. But if there was earlier a tendency to neglect the specific conditions of each country, there is now a risk that the generalizations of the dependence approach is neglected. Seeking detailed information on specific countries it is of course not contradictory to an interest in the general mechanisms of dependence.

The international system of which Lesotho is a peripheral part is dominated by multinational banks and firms through an hierarchically structured pattern of wealth and control. Viewing this international, mainly capitalist, system as a system of nation states does not disclose the essence of relations between the dominating and dependent parts of the system. These relations often transcend borders, but are also found within the same country. Thus, when I attempt to evaluate the inter-state relations between Lesotho and South Africa, I do this against the background of political and socio-economic conditions prevailing in the respective countries. Only when the character of these internal conditions are taken into account is it possible to understand the type of relations between the states. This is a conclusion of my study, but it probably holds true also for other subsystems than the Southern African subsystem.

Earlier studies of the Republic of South Africa usually concluded that there were sections of subsistence production in that country. Lesotho was then considered to be a subsistence section similar to the peripheral parts of the Republic. Recent well-documented studies
of the character of production in South Africa argue instead that such sections of subsistence production no longer exist, not even in the peripheral parts of this country. Some documentation on the character of production in Lesotho is taken up for discussion in the chapter 2, since the conclusion has relevance for comparison with the Lesotho government's own view and its development policies.

The Republic of South Africa contains the most industrialized part of Africa. The government of South Africa intervenes frequently to secure the interests of national and international capital. The two legs on which this government bases its growth plans are black labour and foreign capital. Foreign contract workers have for a century been a major part of mine labour. Lesotho has during this century been one of the most important recruitment areas for South African mines, farms and industries.

The South African Chamber of Mines has controlled labour recruitment for the mines since the end of the 19th century. It is a powerful institution in the Republic and employs nearly 40 per cent of the male labour force of Lesotho at any given time. Although industry is the fastest growing sector of the economy, the mines still provide half of the export value of South Africa. Multinational firms, both those controlling the mines and others, invest in South African industrial growth. South Africa provides capital owners in Europe and the United States with higher profits than they get in most other parts of the world. Hard-working black employees are a basic condition of these profits.

The fact that Lesotho is a labour reserve for the growth of the South African economy has important implications for political and living conditions.

Sources on Lesotho

Christian Potholm has rightly stressed in his introduction to the book "Southern Africa in Perspective", 1972, that the literature on political conditions in Southern Africa is value-loaded and divided into either ultra-conservative or radical. According to Potholm, the former kind is produced by those close to the fascist National Party of South Africa and the latter kind by those sympathetic with the liberation movements. This extreme polarization of the literature on Southern Africa reflects of course the deep conflicts in this part of the world. There is a censorship at universities and in the press, emergency regulations prevail in most of the black-declared areas of South Africa, including the Transkei. This has resulted in a lack of research critical to basic features of the apartheid system in studies published in this region. Those who have left Southern Africa are on the other hand often highly critical but lack data. Literature including both facts and criticism is scarce.

The literature on Basutoland/Lesotho is scarce and varies in quality and bias. On the one hand there are propagandistic pamphlets without empirical connections, on the other hand there are careful fact-collections without attempt to analyse these facts. Examples of the former are many publications from the South African
Institute of International Affairs in Johannesburg and pamphlets of the liberation movements. Examples of the latter are many publications from the Institute of Race Relations and the Christian Institute in Johannesburg and the Africa Bureau in London. The latter have summarized data on social and economic conditions among black people in Southern Africa including Basutoland.

But there are also fact-collections made in a biased way, full of paternalistic conclusions. The African Institute in Pretoria has published several studies on Lesotho of this kind. These publications contain the first tables on economic conditions in Lesotho around the time of independence, and they have been used as a basis for decision-making and long term planning by the Lesotho government. The conclusions in these Africa Institute of Pretoria studies often point to the backwardness of people in Lesotho and their lack of knowledge of their own interest.

In Lesotho, collecting data has met with less practical difficulties than in the Republic of South Africa, at least during the period I study. Still, there is very little research done. A problem, when relating Lesotho to South Africa is also that facts are often available for only one of the countries. This tends to result in studies which often do not refer to Lesotho's integration into South Africa. Among others, Archie Mafeje, social anthropologist from South Africa, has made the crucial comment that it is almost impossible to make a realistic study of Lesotho isolated from South Africa.20

The position of the colonial enclave Basutoland has been discussed in diplomatic correspondence between South Africa and the British colonial power. Basutoland played a strategic military and economic role in relations between London and its crown colony South Africa. This correspondence is spread over the entire period of colonial rule from 1870 to 1960, when Great Britain agreed to future independence for Lesotho.21

Only lately, British and American social scientists have started to publish works on political conditions in Lesotho. Sandra Wallman, Allan Macartney, Richard Weisfelder and Jack Spence have made most thorough studies of politics in Lesotho.22 Wallman's focus is on village politics, Macartney's and Spence's on government decision making, and Weisfelder's on party debate.

An example of an empirical study of industrial development in Lesotho applying a centre-periphery analysis is Percy Selwyn's "Industries in the Southern African periphery".23 But his analysis is limited to a cost-benefit approach and takes the political and social conditions as given. He gives economic data on an area otherwise lacking in documentation. His conclusions are, however, restricted by the partial and static way he applies a centre-periphery analysis. He does not discuss changes over time in economic centre-periphery relations between Lesotho and South Africa.

I have made use of the kind of literature mentioned above, but my main sources for this study have been documents produced by government, local and international organizations, particularly the World Bank and the International Monetary Fund, who record some of the most crucial data for macro-political and macro-economical
conclusions) political parties, trade unions, parliamentary minutes, statements by politicians, government statistics and other surveys. I have chosen to make public some earlier restricted data, since they are a few years old now and should be of wider general interest.

My interviews with people in differing social backgrounds have been important to check and counter-check written documentation. Listening actively to the points put forward by people with different perspectives on social change in Lesotho has been important for my general background information in a foreign country. I have only referred to the names of people in public positions. Interviews with government and opposition leaders were written down immediately and sent to the interviewees who have approved them.
2 Socio-Economic Change

The Republic of South Africa is often looked upon as a nation dominating its neighbours in trade and investment relations. By examining aggregate figures of these relations it is possible to show extreme and growing dominance. To look upon Southern Africa as a system of hierarchically ordinated nations may be useful for some purposes, but it explains little of the actual exploitative mechanisms involved. Nor does it indicate the possibilities for change in these mechanisms. For that purpose we have to investigate the directions of change and the character of socio-economic relations.

In this chapter I will first focus on the present socio-economic relations of Lesotho*. Secondly, I will compare with the situation as it was about one hundred years ago. Thirdly, I will comment upon what is known about the Sotho society before 1830. Finally, I will briefly discuss the changes in the roles of chiefs. The aim is to find out what caused the present socio-economic relations and in what way Lesotho became a part of the international capitalist system. I have no ambition to cover the history of Lesotho, but rather to indicate in what direction we might look for causes of present socio-economic relations to localize mechanisms of dependence.

The Labour Reserve Society of Today

Lesotho is a labour reserve society. The majority of the population have long been in contact with wage employment in South Africa. Prevailing habits are shaped to a large extent by industrial work and consumption values there. In spite of this participation in an industrialized society the poverty and underdevelopment of Lesotho resembles that of other Third World countries.

* Lesotho is the name of the country (Basutoland during the colonial period) of the people, Basotho, who speak the language Sesotho. Sotho is the ethnographic term for all those who speak the Sesotho language,
Agricultural Population?

In an underdeveloped country a large proportion of the population are normally occupied in agricultural production. This is often thought to be the case also in the so-called labour reserve societies. The South African Chamber of Mines argues that the low wages paid to the mine workers are supplemented with subsistence food production in labour reserves, including Lesotho. The First Five-Year Plan of Lesotho, 1970, also describes "agricultural production..." as "the major local source of income for approximately 85 per cent of the population." A "low degree of monetization of agricultural production (less than 30 per cent of the estimated value in 1966/67) was thought to be the reason why agricultural produce was recorded to be so low, and "indicative of the large size of the subsistence sector". The Five-Year Plan of 1970 also states that "subsistence activities in general accounted for more than half of the gross domestic product". In the 1970 agricultural census, 90.7 per cent of the total population are described as "agricultural population", 1 per cent lower than in 1960. This "agricultural population" grew from 888,258 individuals to 908,979 from 1960 to 1970 (see table 2.1).

Table 2.1. Number of Holdings and Population of Holdings 1950-1970

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Subsistence</th>
<th>Inst. of hold.</th>
<th>Ave. size</th>
<th>Number</th>
<th>% of total</th>
<th>Average per holding (persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>hold.</td>
<td></td>
<td>(hectare)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>149 861</td>
<td>149 800</td>
<td>61</td>
<td>2.33</td>
<td>660 600</td>
<td>-</td>
<td>5.4</td>
</tr>
<tr>
<td>1960</td>
<td>161 250</td>
<td>161 250</td>
<td>-</td>
<td>2.18</td>
<td>888 258</td>
<td>91.1</td>
<td>5.1</td>
</tr>
<tr>
<td>1970</td>
<td>187 515</td>
<td>187 421</td>
<td>94</td>
<td>1.98</td>
<td>908 979</td>
<td>90.7</td>
<td>4.9</td>
</tr>
</tbody>
</table>

(1) Only on individual subsistence holdings
(2) Missions, business etc.
(3) Arable land


But if we scrutinize the actual "agricultural population" on the so called "subsistence holdings" in tables 2.1. and 2.2. we find that neither agriculture nor subsistence agriculture is a characteristic occupation of the population of the country. The figures in table 2.1.
indicate only the number of people living in the countryside and the number of holdings they have the legal right to farm on. People are rarely seen in the fields.

Even during the ploughing periods people are seldom seen in the fields. In the evenings, and even then only rarely, tractors plough and women and children weed their plots. In response to questions they say their fields would yield only about one bag of maize in those years they decide to make use of their fields. They would themselves have to pay the cost of ploughing and milling. Fifteen bags of mealie meal was the yearly consumption for a family of five. Thus 14 of these bags would have to be bought.7

Since commercial thinking and monetarized economy characterizes the Lesotho society commercial agricultural has been easy to introduce. Where development assistance projects or wealthy chiefs have invested in food production such production has increased. In 1985 one third of food requirements was produced inside Lesotho compared to 1975.

A direct effect of increased real wages in the mines during 1973–1977 was a decrease in actual land use, 100,000 Hectares were taken out of production. In 1976 70 per cent of the official incomes of an average rural household was remittance from migrants to South Africa, compared to 40 per cent in 1970. In spite of an increasing unemployed labour force it was neither seen as economically viable nor worth the dependence on land distributing authorities.

Agricultural experts from the United Nations Food and Agriculture Organization (FAO) have documented how easily new techniques have been introduced in Lesotho. Tractors were already used in 88 per cent of the Leribe Pilot Project area in 1971, when the project started. Three years later 98 per cent of the area was tractor ploughed. Fertilizer, the use of which is normally resisted by a population for two or three years, was immediately taken into use in Lesotho as long as the price was low.8 However, to begin with it resulted in less time being devoted to agriculture rather than an increase of total production.

Untouched by Modern Economic Development?

According to the World Bank, Lesotho at independence "was virtually untouched by modern economic development. It was, and still is, basically a traditional subsistence peasant society".10 This conclusion about Lesotho as an "untouched" agriculture society with subsistence production contrasts with other observations. The same World Bank report as quoted above mentions that "60 per cent of the male labour force were absent as migrant workers in South Africa".11 The high figures of the agricultural population hardly make sense when compared with the large number of wage earners absent in South Africa. More than 200,000 citizens of Lesotho worked in South Africa at any given time.12 This figure did not fluctuate over the year. Lower figures are usually given in official

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (1)</td>
<td>990</td>
<td>1,059</td>
<td>1,131</td>
<td>-</td>
</tr>
<tr>
<td>Active labour force</td>
<td>400</td>
<td>430</td>
<td>460</td>
<td>500</td>
</tr>
<tr>
<td>Male</td>
<td>250</td>
<td>270</td>
<td>290</td>
<td>-</td>
</tr>
<tr>
<td>Female</td>
<td>150</td>
<td>160</td>
<td>170</td>
<td>-</td>
</tr>
<tr>
<td>Persons in cash employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In South Africa</td>
<td>125</td>
<td>130</td>
<td>175</td>
<td>159</td>
</tr>
<tr>
<td>Employed in mines (2)</td>
<td>80</td>
<td>87</td>
<td>110</td>
<td>114</td>
</tr>
<tr>
<td>Employed in other activities</td>
<td>45</td>
<td>43</td>
<td>65</td>
<td>45</td>
</tr>
<tr>
<td>In Lesotho</td>
<td>17</td>
<td>20</td>
<td>22</td>
<td>35</td>
</tr>
<tr>
<td>Employed in public sector</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>20</td>
</tr>
<tr>
<td>Employed in private sector</td>
<td>11</td>
<td>13</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Residual (mainly persons engaged in subsistence agriculture)</td>
<td>258</td>
<td>280</td>
<td>263</td>
<td>306</td>
</tr>
</tbody>
</table>

(1) Based on projections of the de jure population since the April 1966 census.

(2) These estimates could be subject to considerable error, especially given the uncertainty of the nationality status of many of these individuals.


Table 2.3. Employment in the "modern" sector in Lesotho 1980

<table>
<thead>
<tr>
<th>Industry</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining (diamonds) - closed 1982</td>
<td>800</td>
</tr>
<tr>
<td>Quarry</td>
<td>200</td>
</tr>
<tr>
<td>Building industry</td>
<td>4,000 - 9,000</td>
</tr>
<tr>
<td>Manufacture</td>
<td>3,500 - 7,500</td>
</tr>
<tr>
<td>Government (electricity)</td>
<td>500  - 850</td>
</tr>
<tr>
<td>Trade and tourism</td>
<td>7,500</td>
</tr>
<tr>
<td>Transport</td>
<td>750  - 3,000</td>
</tr>
<tr>
<td>&quot;Modern&quot; agriculture</td>
<td>200</td>
</tr>
<tr>
<td>Government administration</td>
<td>10,000</td>
</tr>
<tr>
<td>Government work</td>
<td>2,000</td>
</tr>
<tr>
<td>Insurance, service etc.</td>
<td>1,500</td>
</tr>
<tr>
<td>Education</td>
<td>6,500</td>
</tr>
</tbody>
</table>

Source: Lesotho Government and World Bank, both 1980.
tables. The high figure of 200,000 includes also those who seek employment of their own. Even higher figures are given unofficially. If short-time employment, which is frequent among women, is included, the figure rises to about 300,000 out of a total population of 1.4 million in 1985.13

The number of mine workers from Lesotho has increased by about 5,000 per year in absolute terms from 1963 to 1974. In 1975 12,000 workers went on strike. In 1976 the increase was 50,000. This means that South Africa's recruitment of miners in Lesotho has increased steadily after independence until 1978. At the same time the proportion of Basotho in the mines had increased from 9 per cent in 1963 to 25 per cent in 1976.14 (See Diagram 2.A. below.) In 1966, the South African government decided to forbid all new employment of Basotho citizens outside mines and farms. (Those who already held employment in industries and public administration were allowed to continue working.) Whether or not the restriction actually had the effect of preventing Basotho from getting jobs outside mines and farms is, however, doubtful. According to some estimates the employment in other sectors has increased. The large number employed earlier in seasonal agricultural jobs in the Orange Free State has, however, decreased with mechanization.15

In conclusion there has been an increase in the recruitment of mineworkers and probably also an increase in the recruitment of workers for industries in spite of the South African government restrictions on the employment of foreign labour for work outside farms and mines. The percentage relation between mine workers and others might therefore be the same as before independence. The main change is that less people work on farms. After 1974, when Malawi withdrew its migrant labour force the recruitment of Basotho increased. After 1980 the recruitment of South African labour increased and took over mining jobs leaving almost no room for new recruitments from Lesotho.

A recent study of agricultural households in the Thaba Bosiu region shows that 80 per cent of all the income of the households with some farming land came from off-farm production. Although the landless households in the region were not included and in spite of the fact that all costs connected with off-farm production had been deducted, 59 per cent of the total income of the households was received through wage employment in South Africa and 21 per cent from off-farm production in Lesotho. Only 6 per cent came from crop production and 13 per cent from commercial production of wool, mohair and cattle for export. The Thaba Bosiu is not an extreme region. The same proportions are true for 1980.

Similar studies made in the agriculture projects of Thaba Tseka and Leribe indicate that an even greater proportion of the income usually comes from off-farm production. Thaba Tseka is situated in the middle of Lesotho in a mountainous part, whereas Leribe is situated on the lowlands on the border to the Orange Free State.16

(average end-of-month employment each year in thousands)

Basotho as a proportion of South African Black Mine Workforce, 1963-1983 (per cent)
Table 2.4. *Sources of Net Income in the Area of Thaba Bosiu Rural Development Project*

<table>
<thead>
<tr>
<th>Weighted averages for all land-owning households</th>
<th>Crops</th>
<th>Livestock</th>
<th>Misc.</th>
<th>Migrant</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>6</td>
<td>12</td>
<td>1</td>
<td>59</td>
<td>21</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Thaba Bosiu Rural Development Project, Evaluation Study No 1, Maseru April 1975.

The table below summarizes the results of a survey of land-holders in the area selected by government for a pilot scheme for its agricultural policy. The survey was undertaken by an adviser to the Ministry of Agriculture, C. Hellman. Hellman commented that the category off-farm included work in mines, South African farms, business and trade (café, tractor, beer, etc.). He also considered the values of crop production as biased upwards because of high mortality of livestock those years and because farmers had a tendency to underestimate their incomes from off-farm activites.

Table 2.5. *Sources of Net Income in the Area of the Leribe Agriculture Scheme*

<table>
<thead>
<tr>
<th>Weighted averages for all land-owning households</th>
<th>Crops</th>
<th>Livestock</th>
<th>Misc.</th>
<th>Migrant</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>19.3</td>
<td>1.4</td>
<td>79.3</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Only about 3-5 per cent of the households in Lesotho could in 1973 earn an adequate living from agriculture and/or livestock production, according to unofficial estimates by the Planning Office in 1974. All the mentioned figures have been confidential for a long period of time. They were not discussed publicly. I can only speculate about the reasons for this. One reason might be that the government did not believe them to be correct. Another reason might be that experts of agricultural technology have tended to restrict the publication of their surveys, since these might give the donor-
organization an impression that aid in these field is useless. A third possibility is the already mentioned fact that the Chamber of Mines, the largest single employer of migrant labour, is interested in keeping up the illusion that backward agriculture provides food for the families of low-paid workers in the mines. The image of a subsistence agricultural sector in the black areas - including Lesotho - also gives backing to the idea that there are two separate societies in South Africa based on different modes of production. This is an important foundation of apartheid ideology.

Thus caution should be applied when looking at the estimates of subsistence agriculture which should be seen as an estimate of mainly home economics, care for children, old and sick. The population of Lesotho is "industrialized" in the sense that it is participating in the building up of an industrialized economy outside the borders of their own country. The low wages paid for their work in combination with equal distribution of land holdings to all households has given the result that they do not have the means for farming. Although many have the knowledge and the skill necessary for farming they have neither time nor money to invest.

Export-Oriented Production?

The Gross Domestic Income is estimated to be three times as large as the Gross Domestic Product because of migrant labour earnings. Otherwise the typical patterns of many underdeveloped countries is visible. Manufacturing and other secondary production is extremely small, whereas primary production and the service sector dominate total production. The widening gap between export of raw material and import of goods is largely due to an increase in the value of imports of food and manufactured goods, whereas exports of unprocessed wool, mohair, livestock and diamonds remain at about the same value. The gap in the balance of payments was filled by migrant labour earnings in spite of the increase in the number of foreign experts. The table below describes the national income over the period 1972/73 to 1979/80.

Most of Lesotho's small production is export-oriented. A few products dominate the exports: wool, mohair and cattle make up about 70 per cent of the total export. This concentration on a few unprocessed products vulnerable to international market conditions, adds to the insecurity of the living conditions in Lesotho in the same way as labour market conditions of South Africa. This concentration is documented also for other dependent societies.19

Lesotho's cattle is sold to South Africa to be slaughtered and processed there. Wool and mohair are sold unprocessed to Europe via Port Elizabeth in South Africa, where purchasers, from France and England mainly, bargain about the price of the wool and mohair from Lesotho. The export from Lesotho has always been sold separately from the produce of South Africa. A highly fluctuating price was paid to the producers until 1972/73, when producers organizations
### Table 2.6. Relation between National Product and National Income 1972/73 - 1979/80

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross domestic product at market prices</th>
<th>Net factor income from abroad</th>
<th>Gross national product at market prices</th>
<th>PER CAPITA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current prices; Mill. Maloti</td>
<td></td>
<td>Maloti</td>
<td></td>
</tr>
<tr>
<td>1972/73</td>
<td>64,3</td>
<td>31,5</td>
<td>95,8</td>
<td>58</td>
</tr>
<tr>
<td>1973/74</td>
<td>87,8</td>
<td>44,5</td>
<td>132,3</td>
<td>78</td>
</tr>
<tr>
<td>1974/75</td>
<td>98,0</td>
<td>60,1</td>
<td>158,1</td>
<td>85</td>
</tr>
<tr>
<td>1975/76</td>
<td>111,0</td>
<td>101,0</td>
<td>212,0</td>
<td>94</td>
</tr>
<tr>
<td>1976/77</td>
<td>143,3</td>
<td>125,8</td>
<td>269,1</td>
<td>118</td>
</tr>
<tr>
<td>1977/78</td>
<td>186,4</td>
<td>145,0</td>
<td>331,4</td>
<td>151</td>
</tr>
<tr>
<td>1978/79</td>
<td>240,6</td>
<td>156,1</td>
<td>396,7</td>
<td>191</td>
</tr>
<tr>
<td>1979/80</td>
<td>263,2</td>
<td>181,8</td>
<td>445,0</td>
<td>204</td>
</tr>
</tbody>
</table>

* = indicates preliminary estimates

---

**Source:** Economic Indicators 1972173 - 1979180
World Bank (UNDP) Team
Maseru, Lesotho, June 1981
for these two products were set up in London by South Africa, Australia and New Zealand, the top three producers in this field. Lesotho, the fourth biggest producer of mohair, is still not represented in the mohair producers' organization. After this was formed the country has, however, benefitted from a more stable export revenue.

The production of wool and mohair employs mainly boys at the age of 6 to 12, who look after the sheep and the goats, when they do not go to school. The export of wool and mohair has increased slightly, but has existed for about a century in Lesotho, as well as in the Transkei, the Orange Free State and the Cape Province. Whereas in Lesotho and the Transkei this export remains the only major production, other produce has become more important in the Cape Province and in the Orange Free State. Lesotho is today specialized in two sectors: export of labour and export of wool and mohair. These two sectors are both outward oriented and have little economic exchange between them. This situation is characteristic of a disintegrated society. The main expanding sector after independence has been tourism. So far it has resulted in little net increase in employment opportunities and little increase in national income.

The lack of production internally is an important condition for the migrant labour system to continue. People are in practice forced to supply their labour to the employers of South Africa even at low wages. The result of low wages is a lack of means to keep any kind of production alive leaving no possibility to invest for the future.

In South Africa, apartheid is virtually a state-authorized system to justify that the wages paid to the large majority of black employees are kept at a low level and to administer this wage system. This affects the employees from Lesotho. They are automatically classified as "black" and their status as "foreign black" gives them even fewer rights and lower wages than the already underprivileged South African blacks. Present economic tendencies and legal structure therefore do not favour people in Lesotho.

Unequal Income Distribution?

The distribution of income was during 1940 to 1970 extremely equal in Lesotho, although at a low level. Estimates in the Second Five Year Plan for example are, however, based on the distribution of land holdings and cattle ownership. Since the importance for income of the holding of land is generally low and decreasing, the table below underestimates the actual differences in income.

The official per capita income in 1973/74 was 100 rand and in 1979/80 345 rand. Many people live near starvation, but it is also true that this would look different if we know more about the amount saved and earned by Lesotho's citizens in South Africa. Also the actual distribution of wealth might then change. Since there are hardly any government sponsored insurance schemes, workers try to save privately for this purpose. This is done in banks, building societies and insurance companies mainly in South Africa. Information about these savings is not systematically collected. People
Table 2.7. Income Distribution in Lesotho, 1972

<table>
<thead>
<tr>
<th>Population Group</th>
<th>% of Total Income Received</th>
<th>% of Total Income Received Excluding Expatriates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest 5%</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Lowest 20%</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Lowest 40%</td>
<td>30</td>
<td>32</td>
</tr>
<tr>
<td>Highest 40%</td>
<td>52</td>
<td>50</td>
</tr>
<tr>
<td>Highest 20%</td>
<td>33</td>
<td>30</td>
</tr>
<tr>
<td>Highest 5%</td>
<td>16</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: CPDO estimates based on the 1970 Agricultural Census and the 1972/73 Urban Household Budget Survey (The Urban population is about 5 per cent of the total)

also save in Lesotho with South African branches. Cattle and housing is still a medium of investment but banks etc. have long been important.

There is no documentation on the size of different occupational groups. Table 2.8. does, however, indicate the differentiation of incomes in selected occupations in Lesotho and South Africa. This gives us reason to believe that there is today an unequal distribution of incomes among the wage employees. Education and skill constitute the most important basis for differentiation within the group of black employees in South Africa.
Table 2.8. Lesotho: Average Annual Cash Earnings in Selected Occupational Groups, 1970/71-1974/75 (In Rand)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Employment within Lesotho</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Government</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum wage for unskilled</td>
<td>564</td>
<td>656</td>
<td>684</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Minimum clerical salary</td>
<td>342</td>
<td>342</td>
<td>342</td>
<td>342</td>
<td>342</td>
</tr>
<tr>
<td>Maximum professional base salary</td>
<td>4,800</td>
<td>4,800</td>
<td>4,800</td>
<td>4,800</td>
<td>4,800</td>
</tr>
<tr>
<td>2. Catering</td>
<td>651</td>
<td>812</td>
<td>1,405</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>3. Commerce</td>
<td>386</td>
<td>395</td>
<td>525</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Including, for banking:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum wage for unskilled</td>
<td></td>
<td></td>
<td></td>
<td>670</td>
<td></td>
</tr>
<tr>
<td>Minimum clerical salary</td>
<td></td>
<td></td>
<td></td>
<td>1,320</td>
<td></td>
</tr>
<tr>
<td>Minimum teller's salary</td>
<td></td>
<td></td>
<td></td>
<td>1,920</td>
<td></td>
</tr>
<tr>
<td>Maximum teller's salary</td>
<td></td>
<td></td>
<td></td>
<td>3,800</td>
<td></td>
</tr>
<tr>
<td>4. Manufacturing</td>
<td>402</td>
<td>473</td>
<td>768</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>5. Other identified services</td>
<td>703</td>
<td>890</td>
<td>899</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td><strong>B. Employment in R.S.A. mines</strong></td>
<td>216</td>
<td>229</td>
<td>264</td>
<td>350</td>
<td>528</td>
</tr>
<tr>
<td>Including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum unskilled above-ground wage</td>
<td></td>
<td></td>
<td></td>
<td>325</td>
<td></td>
</tr>
<tr>
<td>Minimum unskilled below-ground wage</td>
<td></td>
<td></td>
<td></td>
<td>576</td>
<td></td>
</tr>
<tr>
<td>Minimum clerical wage</td>
<td></td>
<td></td>
<td></td>
<td>720</td>
<td></td>
</tr>
<tr>
<td>Maximum skilled below-ground wage</td>
<td></td>
<td></td>
<td></td>
<td>1,500</td>
<td></td>
</tr>
</tbody>
</table>

(1) These data relate to calendar years ending three months before the fiscal year shown. In addition to cash earnings, mine workers receive payments in kind (in the form of food, accommodation, medical attention, etc.), which were generally valued at R 360 per annum in 1974.

Sources: International Monetary Fund, Economic Development in Lesotho 1975. Data on average cash earnings in Lesotho were provided on a preliminary basis by the Statistician's Office. Average cash wages of Bantu employed in South African mines were derived from Bulletin of Statistics, Department of Statistics, Pretoria, March 1974. Other data were provided by cabinet personnel and the Salaries Commission,
A Grain Exporting Society - 1830 to 1930

The picture of a society almost totally dependent on off-farm production - 80 per cent of the total income of all “farm households” - differs entirely from the descriptions of the former colony of Basutoland a hundred years ago. What is now Lesotho used to be a rich and very efficient agricultural economy. It was both self-reliant for food and certain handicraft products and well-integrated into the cash economy of South Africa through large exports of wheat, maize and sorghum, as well as through the consumption of manufactured goods.

Diagram 2.B. Some Important Historic Data Mentioned in this Chapter

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1833</td>
<td>Paris Evangelical Mission established</td>
</tr>
<tr>
<td>1868</td>
<td>British Colonization (all land west of Caledon lost to Boers)</td>
</tr>
<tr>
<td>1870</td>
<td>Mine labour productions</td>
</tr>
<tr>
<td>1879-1902</td>
<td>Anglo-Boer War</td>
</tr>
<tr>
<td>1930s</td>
<td>Gold mining started in the Orange Free State</td>
</tr>
<tr>
<td>1961</td>
<td>Republic of South Africa</td>
</tr>
<tr>
<td>Independence</td>
<td>1910</td>
</tr>
</tbody>
</table>

Cape, Natal, Orange Free State, Natal

1870 - Gold mining started in Kimberley
1880 - Gold mining started in Johannesburg
1899-1902 - Anglo-Boer War
1930s - Gold mining started in the Orange Free State
In 1837, the inhabitants of Lesotho, which then stretched west of the present border marked by the Caledon river, "had grain stored for four to eight years" and "in 1844 white farmers 'flocked' to them to buy grain". The country seems to have accumulated wealth throughout the nineteenth century, despite periods of wars. Moshoeshoe's "Lesotho" lost what is today half of the Orange Free State to the Boer Republic. Thereafter Great Britain annexed the remaining eastern part as a colony. This was in 1868 at the same time as the Boer Republic lost the diamond rich areas of Kimberley to Britain. Basutoland recovered quickly and in 1872 "exported 100,000 bags of grain - wheat, mealies and sorghum - 2,000 bags of wool and a considerable number of cattle and horses".

The Basotho farmers benefitted from their long experience of agricultural production in an area - the Orange and Caledon valleys - which is the best naturally irrigated region of South Africa's interior. They managed, during the whole of the nineteenth century, to compete successfully in the drier areas with Boer cattle farmers, who were inexperienced but attempted to establish themselves in grain production.

The Basotho responded quickly to new techniques and to new crops like wheat and maize. Before the colonial annexation, a newspaper in the Orange Free State described the country in the following terms:

Nowhere else in South Africa is there a more naturally industrious nation, as honest and as peaceable as the Basuto. Before the war the quantity of wheat, maize and millet which this tribe produced was truly incredible.

In 1871, after the colonization, a missionary described the occupations of the inhabitants in the following way:

Hitherto our Basuto have quietly remained at home, and the movement which is taken place beyond their frontiers has produced no other effect than to increase the export of wheat and other cereals to a most remarkable degree. While the district in which the diamonds are found is of desperate aridity, the valleys of Basutoland, composed as they are of a deep layer of vegetable mould, watered by numerous streams and favoured with regular rains in the good season, require little more than a modicum of work to cover themselves with the richest crops.

In spite of the loss in 1868 of a large lowland area west of the present Lesotho borders, the Basotho were self-sufficient in food and exported the surplus to the diamond mines which were opened up in Kimberley in 1870 and to the gold mines which were opened up in the Johannesburg area in the mid-1880s. They do not seem to have had economic reasons to go to the mines for work. (We should, however, keep in mind that the missionaries' records seldom distinguish between poor and rich people in Basutoland.) Yet the grain exporting country experienced competition. In 1887 a missionary mentioned new problems:

The establishment of the railway... (from the coast to Kimberley and Johannesburg) ... has profoundly modified the economic
situation of Basutoland. It produces less and finds no outlet for its products. Its normal markets, Kimberley and the Free State, purchase Australian and colonial wheat. Money is scarce, so scarce that the Government has had to receive tax in kind. ... Basutoland, we must admit, is a poor country. Money is rare, more especially these days. The price of wool has fallen by half. Last year's abundant harvest has found no outlet for, since the building of the railway, colonial and foreign wheat have competed disastrously with the local produce. 31

This quotation indicates that money was already widely in use in Basutoland in 1887, and wool export to Europe as well as wheat export to the mines were important parts of the production. There are varying data on the number of men and women who took jobs outside Basutoland. A high proportion of the men worked in the mines already in the 1880s.32

In the opening stages of migrant labour, before 1911 the employees had short term contracts and they were paid at a relatively much higher rate than they are today.33 The short contracts still gave the workers time for farming, and the high wages allowed them to save money for investments. People thus had the means to produce and invest in agriculture.

Table 2.9, *Annual Cash Earnings in Gold Mines, 1911-69.*

<table>
<thead>
<tr>
<th>Date</th>
<th>Current rands</th>
<th>Index of Real Earnings 1936 = 100</th>
<th>Earnings gap Ratio W:B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>White</td>
<td>Black</td>
<td>Index of Earnings</td>
</tr>
<tr>
<td>1911</td>
<td>666</td>
<td>57</td>
<td>102</td>
</tr>
<tr>
<td>1916</td>
<td>709</td>
<td>59</td>
<td>94</td>
</tr>
<tr>
<td>1921</td>
<td>992</td>
<td>66</td>
<td>90</td>
</tr>
<tr>
<td>1926</td>
<td>753</td>
<td>67</td>
<td>85</td>
</tr>
<tr>
<td>1931</td>
<td>753</td>
<td>66</td>
<td>90</td>
</tr>
<tr>
<td>1936</td>
<td>786</td>
<td>68</td>
<td>100</td>
</tr>
<tr>
<td>1941</td>
<td>848</td>
<td>70</td>
<td>94</td>
</tr>
<tr>
<td>1946</td>
<td>1106</td>
<td>87</td>
<td>99</td>
</tr>
<tr>
<td>1951</td>
<td>1107</td>
<td>109</td>
<td>113</td>
</tr>
<tr>
<td>1956</td>
<td>2046</td>
<td>132</td>
<td>119</td>
</tr>
<tr>
<td>1961</td>
<td>2478</td>
<td>146</td>
<td>129</td>
</tr>
<tr>
<td>1966</td>
<td>3216</td>
<td>183</td>
<td>149</td>
</tr>
<tr>
<td>1969</td>
<td>4006</td>
<td>199</td>
<td>172</td>
</tr>
</tbody>
</table>

Table 2.10. Migrant Labour from Basutoland - Lesotho, 1911-1976

<table>
<thead>
<tr>
<th>Year</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Per cent of de jure population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>21,658</td>
<td>2,972</td>
<td>24,630</td>
<td>5.8</td>
</tr>
<tr>
<td>1921</td>
<td>37,827</td>
<td>9,314</td>
<td>47,141</td>
<td>8.7</td>
</tr>
<tr>
<td>1936</td>
<td>78,604</td>
<td>22,669</td>
<td>101,273</td>
<td>15.3</td>
</tr>
<tr>
<td>1946</td>
<td>95,697</td>
<td>32,331</td>
<td>128,028</td>
<td>18.6</td>
</tr>
<tr>
<td>1956</td>
<td>112,790</td>
<td>41,992</td>
<td>154,782</td>
<td>19.5</td>
</tr>
<tr>
<td>1966</td>
<td>97,529</td>
<td>19,744*</td>
<td>117,273</td>
<td>12.0</td>
</tr>
<tr>
<td>1976</td>
<td>129,103</td>
<td>23,551</td>
<td>152,654</td>
<td>12.5</td>
</tr>
</tbody>
</table>

*) In 1966 South Africa enforced restrictions on migrant labour which mainly affected women.

Source: Bureau of Statistics, Lesotho
Department of Labour, Lesotho

Lesotho is not suitable for farming. This is a frequent conclusion in reports on agriculture in Lesotho after independence. Sandra Wallman, for example, wrote in 1976 that "natural factors combine with traditional farming practices and with increasing pressure of population and land to make Lesotho unsuitable for farming".35

What changed the "natural factors" so completely and what impeded a continuation of the development of farming practices and successful production described above? Until the 1930s, agricultural production was large enough to make Basutoland self-sufficient and able to export. Production was larger than ever before in history and there was enough to feed the population. The rain factor has not changed. Soil erosion has been mentioned as one explanation. But geographical surveys indicate that shortage of farm labour is an important cause to soil erosion.36

In the 1930s agricultural produce started to decrease in absolute terms. Not until then was the socio-economic structure of the farming community in Basutoland broken down and left with migrant wage labour as the dominant source of income, although there were migrant men and women going to South Africa as contract labour long before that, see table 2.10. It is from then on that the present methods in agriculture have come into use. Women instead of men worked over-time in the fields, often without the equipment used earlier.37

Migration was the result of poor agriculture. This is another proposition often heard in Lesotho after independence. The causal relationship might just as well be the opposite. There are important changes in political conditions which might be part of the explanation. Agriculture was actively broken down through, for example, the following decisions:
1. In 1932, the South African Prime Minister, General Hertzog wrote to the British Secretary of State, J. H. Thomas, to ask for restrictions on wheat farming in Basutoland. White farmers in South Africa had long complained that the black farmers were more successful. When there was economic recession in South Africa - as part of the general international recession - these complaints were articulated in political terms.

We find it increasingly difficult to resist the daily pressure on the part of the people of the Union for measures restricting competition in our local markets from territories outside the Union. The depression, as you might well imagine, has much accentuated this demand.38

This claim was repeated in 1933, in a memorandum from the Minister of Justice, Jan Smuts. The argument used in order to make Britain decide in favour of the South Africans was to threaten with a) restrictions on recruitment of labour to the British-owned mines b) incorporation of the High Commission territories.39

In 1935, Britain answered by handing over an "Aide-mémoire" to the South African Ministry of Native Affairs, which suggested "improved co-operation between the Union and the High Commission Territories". Restrictions on agricultural produce were introduced by the colonial government in Basutoland. South African subsidies to the white farmers in the Orange Free State had already been given. Capital-intensive agricultural methods and boreholes were spread as a result of state subsidies.40

2. Before the British colonial restrictions were enforced in Basutoland, an investigation of the economic conditions in the colony was made. This investigation resulted in an ambitious mission report, "The Pim Report" in 1935. The whole system of rule needed to be changed, concluded the report. The chiefs were too rich, and there were far too many of them. Recommendation was made to dismiss most of the existing 2,000 chiefs, appointed by the colonial government. The chiefs were at this time still in charge of land allocation, they led the farming practices.41 These practices broke down gradually. The drainage and irrigation system for example, depended largely upon the organizational work carried out by the chiefs and their advisors. The changing role of the chiefs will be described and analyzed in greater detail further on in this chapter.

The Iron Workers and Peasants before 1830

Why was the Lesotho society able to absorb innovations and accumulate wealth so successfully during the 19th century? What kind of society existed before the 1830s, when techniques introduced by the missionaries and traders were rapidly absorbed by the Basotho? It is easy to get the impression that human history started in Southern Africa when the missionaries arrived. These have been the history writers of Lesotho, just as they have been in other parts of Africa. The written history of Lesotho is still that of its
colonizers. The views of the government of South Africa today dominate the interpretation of the history, including Lesotho. Until the late 1970s the interior of Southern Africa was usually described as an empty land before the settlement of the Portuguese, the Boers and the British.42

According to the South African official history, spread also in Lesotho, the so-called Bantu people came from the North at the same time as the Europeans invaded the interior from the Cape and Natal in the 18th and 19th centuries. French missionaries settled in the country of the famous king Moshoeshoe in 1833. One of these French missionaries was a young man, Eugene Casalis, from the Paris Evangelical Church, who became not only the Foreign Secretary of King Moshoeshoe but also a prominent historian of Lesotho. Moshoeshoe had already started to gather scattered Sotho, Nguni and Xhosa groups under his government's control. During the early 19th century, there was a long period of several wars, the Lifa-gane, involving Nguni and Sotho. Moshoeshoe named the new nation Lesotho after the dominating language group Sotho.43 Anthropological and archeological sources give us some information about the economy and social structure of the Sotho society. Language determined who belonged to the Sotho people.44

Iron was worked in what is today Southern Transvaal from at least A.D. 1,000 and in what is now the Orange Free State from between A.D. 700 and 800. In the region of today's Lesotho there is only vague evidence of iron ore mining, but in the now lost region, which until colonial annexation in 1868 belonged to Lesotho, there is clear evidence that mining, smelting and crafts were practiced. The production of leather and metal work covered not only internal consumption but these goods were also exported. Grain production and cattle-keeping were also prominent.45

The Sotho were distinguished from their neighbours by their skill as craftsmen and by the fact that most of them lived in stone houses in relatively permanent settlements rather than in scattered homesteads. The following examples taken from different travellers' records, show that Sotho towns were fairly large and much larger than any of the white settler towns at that time:

Dithakong 10,000-15,000 inhabitants (1801)
Kaditshwene 13,000-16,000 inhabitants (1820)
Masweu 10,000-12,000 inhabitants (1820)
Taung 1,300-1,400 (1824) and 20,000 (1836)
Kgwakwae (1824) covered a large area and had more inhabitants than any South African town, known to the eye-witness, A European missionary
Phitshane, on Molopo river, had a population of "upwards of 20,000" (1824)
Thaba 'Nchu 9,000 (1839).46
Each large settlement was a "capital" in which an independent chief lived with most of his followers, and each was surrounded by cattle posts. Small groups of hunters had their customers among the chiefs and leading families and occupied areas distant from the capital and cattle posts. Many of the settlements were situated on hill tops, exactly like the capital of Moshoeshoe at Thaba Bosiu, described in detail by the French missionary Eugene Casa- lis mentioned above.47

Cultivated fields spread in the valley below the capital, sometimes covering "several hundred acres". These fields were "at least twenty miles in circumference". During the sowing and reaping seasons, families could camp in the fields, but their huts might be
burned if they failed to return to the capital when the work was done. Packoxen were constantly used for bringing in grain from the fields (some of which were twenty-five miles distant from the owner's home) and for transporting articles of trade. Sorghum, sweet reed, kidney beans, pumpkins, sweet melons and gourds were grown. Maize was probably unknown until 1822 and was introduced on a larger scale only later. There is documentation of a fairly extensive trade in metal goods. Hides of wild animals and ostrich feathers were also exchanged by some of the Sotho speakers who purchased grain from people living in the neighbouring regions. Hemp and tobacco were used both for consumption and barter. The skill of the Sotho craftsmen was reported early by contemporary travellers from Greece and the Arab countries. The fact that they refused to buy European knives, as they were inferior to their own, was reported with astonishment by travelling European traders.

In 1843, David Livingstone reported from the Transvaal: "The manufacturing of iron seems to have been carried on here uninterrupted from a very remote period." Travelling eastward through the Transvaal he came to Banalaka and reported: "They smelt iron, copper and tin and in the manufacture of ornaments know how to mix the tin and copper so as to form an amalgam. Their country abounds in ores." Livingstone also described an extensive trade in hides and skins. 20,000 to 30,000 hides were tanned and many of these were sold to China. This trade across the Indian Ocean had been going on already before the Portuguese appeared on the scene in the 16th century.

Livingstone's report on the abundance of ores spread quickly in Europe and led to a rapid inflow of capital. Present official versions of history which claim that the British "discovered" the mineral deposits are obviously false. The mining was taken over directly from the people in the region, who already knew the mining profession well. The Sotho saying: "You should never tell the existence of a mineral deposit to a European because then you will lose it" still hinders prospecting in Lesotho, according to a UNDP report. The saying is based on bitter historic facts.

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**Diagram 2.C. Some Dates on the Integration into the International Capitalist System over Time**

<table>
<thead>
<tr>
<th>Iron-workers craftsmen and subsistence agriculture</th>
<th>Basutoland</th>
<th>British colonisation</th>
<th>Labour Reserve Society</th>
<th>First popular elections</th>
<th>Independence of Lesotho</th>
</tr>
</thead>
<tbody>
<tr>
<td>1830 Missionaries and traders settle in Lesotho</td>
<td>Recruitment offices established</td>
<td>Grain exporting Society</td>
<td>1930s Restrictions on agriculture</td>
<td>1958 Basut斯坦 policy including Basutoland</td>
<td>1966</td>
</tr>
</tbody>
</table>
The Changing Role of Chiefs

In the following section a closer look will be taken at the group called chiefs. Here the term "chief" is used mainly according to the British way of defining the word. The British definition is connected rather with a certain group of families inheriting their colonial jobs. The colonial law regarded the position of chiefs as hereditary.

In the Sesotho language the title of "chief", "morena", is given to persons who hold superior economic and social positions. The actual holders of such positions have been changing over time. This indicates an emphasis on the role and function of a chief rather than the individual holder of such posts. Missionaries, traders, and civil servants, both Basotho and foreigners are called "chiefs".

We know little about who ranked high in the socio-economic structure before the 1830s. Trade was probably monopolized by people called "chiefs". The surplus appropriated from agriculture and trade was probably redistributed to soldiers, iron-workers and others. The Sotho city states were not organized in the form of military kingdoms as the societies of the Nguni (including the Swazi), although soldiers probably ranked high as well as cultivators, craftsmen and herdsmen. Order was assured through compromise and negotiation as well as by more violent methods. Even when there were wars during the reign of Moshoeshoe (1820-1870), (who at times controlled more than 10,000 soldiers), travellers recorded that the freedom to criticize authority in public assembly was greater than was then permitted in England and France.53

Cleavages were expressed in terms of opposing lineages. But much of this oral history was written down by missionaries and the chiefs themselves only during the 19th century. It aimed at tracing divisions and showing links between the ruling lineages of existing chiefs. But there is little known today about the actual underlying causes of conflict.54

In pre-colonial times new chiefs were established through the procedure of a young leader moving away from his followers to settle down in a territory which might or might not overlap with that claimed by the chief who he left. He asserted the independence of his court, lekhotla, by refusing to send cases of appeal to any other authority. Independence did not mean, however, that the chiefdoms were totally isolated from each other. Emissaries were exchanged, trade relations existed and the chiefs and their advisors often met.55

In Basutoland as in Bechuanaland and Swaziland, the British colonial policy after annexation was to delegate most of the administration and decision making at the local level to the chiefs, the missions, and the traders.

The chiefs existed before colonization as did missionaries and traders. But the roles of these three groups changed. The colonizers made the chiefs collect taxes in addition to their traditional roles of judges and distributors of land. The greatest change, however, was an increase in the number of chiefs, who in practice
became colonial employees installed for life. Their positions were inherited by their sons. For a long period, the missions held the supreme right to decide on the organization and content of education, health and other services. White traders had the exclusive right to buy the produce of Basutoland and to import manufactured goods into the colony. They were also responsible for the roads of Basutoland. Many Basotho worked for the traders to keep the roads in good condition.

In contrast to most of the chiefs in South Africa, those of Basutoland served the colonial power and represented it. In many areas of South Africa, the chiefs were discriminated against. British magistrates took over their functions as tax collectors and judges, for example in the Cape Colony. Common land ownership was abolished except in the small areas called Native Reserves. In Basutoland, the chiefs were often looked upon as traitors by their own people, whereas in certain areas of South Africa they sided with the rest of the people against the colonial power. In the Transkei and the Ciskei, for example, chiefs joined the liberation movements. This tendency is, however, vague and there are examples of hereditary chiefs, who are accepted by the South African government also in these areas.

British colonial policy in Basutoland has often been described as "laissez-faire". According to some sources, this gave the people room to manoeuvre. According to my impression, this room was only for elite groups. Until the second world war a high degree of autonomy was enjoyed by chiefs, traders and missionaries in their relationship with London. A similar autonomy was enjoyed by wheat producers, gunsmiths and the ox wagon owners, among others. British interests were that the colony should cost little and serve British capital interests in South Africa. The British civil servants who were placed in Basutoland at an early stage played minor roles. The local groups of colonially appointed chiefs, British traders and missionaries of European extraction assumed state functions at political, economic and ideological levels. As long as the local groups served this interest well, few British administrators were considered necessary. But during the 1930s this was no longer the case: tax collection did not function and labour was scarce in the territory for the labour offices to recruit. Neither chiefs responsible for the collection of taxes nor the traders responsible for recruitment of labour to build roads had control over where the villagers stayed and worked.

The Pim Report, mentioned earlier, stated that there was a "complete lack of any kind of government." What Pim might have meant was that the groups trusted earlier by the colonial government were no longer ruling in the British interest since the main interest of British companies in Southern Africa during this period was an increase of labour and control of labour. Suggested reforms aimed at building up a bureaucracy to take over from the chiefs and the missionaries. The traders still functioned well according to the report.

New offices for tax collection were now set up in South Africa. The Basotho were integrated into the pass law system of South
Africa, through which the movement of labour was more strictly controlled. The interests of the British were thus met. The chiefs were reduced in number from about 1,300 to 120 over the period 1938 to 1946. Their judicial functions were taken over by trained lawyers who seldom were chiefs.  

However, the few chiefs who were still left ranked high in the socio-economic structure. They were still the largest land holders. Some of them, the Principal Chiefs, had contacts with the financial decision makers through their advisory roles in the National Councils. Tax collection was, however, taken over by educated Basotho commoners and British employees. The today common belief that the many lower chiefs, who have reemerged after independence, base their power on land distribution has to be reconsidered. The role of the chiefs will therefore be taken up for discussion again in chapters 3 and 4.

The policy to dismiss thousands of lower chiefs from their gazetted right to get an income from the villagers at the same time as introducing excises on agricultural produce hit many of them hard. The precolonial roles had lost importance. Together with their advisors and families they emerged as a frustrated social stratum. Their frustration continued a basis for later anti-colonial mobilization. The party connections of this stratum will be discussed in the next chapter.

The chiefs who remained as salaried and so-called gazetted chiefs after the reform were appointed and dismissed by the colonial government. Earlier the chieftainship itself had the power to recruit new chiefs in addition to those inheriting their positions. Not even the Paramount Chief had the right to dismiss a chief. These powers of the colonial government were taken over by the Lesotho government after independence.

Conclusions

During 1884–1966 the area which constitutes the Lesotho of today was administered as a separate colony, Basutoland, by the British colonial headquarters through the British representatives in South Africa. The British interest was to secure food exports and labour for the mines. From being a diversified society based on iron-mining, leather work and subsistence agriculture, the Lesotho society became increasingly specialized after the 1830s. Missionaries first settled in Lesotho from the 1830s and their records show that the welfare of the population increased as a result of growing trade both with the Southern African region and with Europe. The regional trade involved grain, whereas the international trade concentrated on wool and mohair. Increasing monetization and modernization of technology were important new elements. Control of the new means of production by citizens of Lesotho seems to have been kept for a considerable period after colonial annexation. The grain producers were a new elite of both chiefs and commoners but through the excises on agricultural produce
enforced during the 1930s this elite was deprived of part of its income. Through the excise many grain-producers could no longer compete.

According to the dependence approach, economic disintegration is to be expected in peripheral societies. In Lesotho, we have found this in the form of separation between the export markets of wool-mohair on the one hand and labour on the other. Until the 1930s there was a third important separate sector - that of commercial grain production, which then started to decline.

One result of the deprivation of the wealthy groups was a more equal distribution of wealth within Basutoland. Yet, equal distribution was kept at a very low level. This might be said to contradict the pattern expected in dependent societies. This distribution of holding of land and wealth introduced during the 1930s has remained until the mid-1970s. The wage distribution changed towards a more unequal pattern already during the mid-1960s. A small group of well-paid state employees after independence in Lesotho and another small group of skilled professionals in South Africa earn much more than the average with wages kept at subsistence level.

The decrease in agricultural production had several reasons. One earlier neglected reason is the state intervention from both South Africa and the British colonial power to actively prevent commercial farming in Basutoland in the mid-1930s. This was done at the explicit demand of white farmers in South Africa, who experienced difficulty in meeting competition from the wheat-producing farmers in Basutoland. But the actions taken were not against the interests of the British mining companies in South Africa. These had an interest in the destruction of alternative income possibilities in the regions where mine-workers were recruited. Basutoland became such an area with the start of the large-scale exploitation of the diamond and gold mines in South Africa.

The official statistics on the present population of Lesotho do not disclose that commercial production once flourished within agriculture and that there is today little evidence to support a general belief of the existence of a subsistence agriculture. Today's poverty-stricken migrant workers are the descendants of the Sotho-speaking iron workers and craftsmen of a period before colonization. Already from about 1,000 A.D. there were iron-working societies in central South Africa.

Socio-economic relations in Sotho society have changed gradually. During the time when iron was worked, the miners, smelters and craftsmen competed with chiefs for elite positions. For half a century after the colonial annexation, the chiefs experienced little competition from these groups. Instead they gained increasingly central positions through their organizational control of communal work in the villages and through the support given directly to them by the colonial government. They were able thereby to appropriate part of the surplus for themselves through the mechanisms of grain marketing. After the 1930s the role of the chiefs clearly became less important. This was caused by a de-
crease in agricultural production, as a result of the mentioned restrictions on the production in this field. Almost all the chiefs (about 9/10) lost their earlier incomes from their administrative and judicial roles. The remaining higher chiefs can be compared to "landlords" since people are still given plots through the chief, although using them mainly for housing. A new kind of village chief has emerged after independence, directly dependent on the post-independence government. These chiefs are mainly occupied with questions of security and information.

The exploitation on a large scale of mines, farms, and industries was initiated by the capital owners of the metropolitan centres of Western Europe and the United States, and established through colonial military intervention. The people already settled in the area resisted politically and militarily and were only gradually annexed. The mine owners controlled state power in South Africa although not without opposition from both white and black groups.

During the 1930s political pressure on a mass basis was mobilized by boer farmers and foremen as well as by black workers. But the groups of whites were only allowed to share the power. Today Lesotho, with its 200,000 to 300,000 contract workers, is linked to the centre of the international system in a subordinate manner via employers in South Africa. This has resulted in only partial compensation for the work done by these migrant contract workers.

Keeping in mind the separate colonial history of Basutoland, there are still many similarities between Lesotho and those parts of South Africa which were declared Native Reserves in 1911, including the Transkei. These have been ecologically destroyed and now lack employment opportunities. As in Lesotho, half of their labour force in employed in the white-declared industrialized parts of the Republic. Like Lesotho they were the last regions to be colonized and some of them played an important role as grain producers until the mid 1930s.
3 Political Parties

What are the political conditions for development in a labour reserve like Lesotho today? Is it possible to organize political action for a development strategy and what ideas of development are expressed in the extreme dependence situation of this enclave state?

During the rule of Moshoeshoe I and the 98 years of colonial rule that ended in 1966, separate state institutions for Lesotho/Basutoland were built up. But what political base did these state institutions have at independence and after? While studying the development policies of the state institutions, I soon found that all decision-making was connected with either of two strong parties: the Basutoland Congress Party (BCP) and the Basotho National Party (BNP). In this chapter I focus on the groups supporting these two parties and the political ideas they aim at implementing.

Organizational Patterns in Lesotho

Political discussion has long been widespread in Lesotho. In spite of severe restrictions at times, people not only articulated their ideas of what the future society should be like but also organized their implementation.

However, the frequent movement of people between contract work in industrial areas of South Africa and the countryside of Lesotho makes it difficult for any kind of permanent organization to develop among the Basotho. There are many who argue that the very reason for the migrant workers' system is that it is an efficient method to prevent trade unions and political activities contrary to the interest of the employers in South Africa. Basotho migrants also move within South Africa between different places of work. There is a concentration of Basotho migrants in South African towns like Soweto, Vereeniging and Welkom. The individual wage earners have gradually become less and less integrated into the power structure of the home villages of Lesotho. There are also legal restrictions on meetings and certain types of organizations both in Lesotho and South Africa. Frustration is associated both with the actual moving away and the isolation from family and friends on the part of the wage earner, and also with the waiting for money and messages on the part of the dependent family members. These difficulties have, however, existed almost a century. They have led to the demand for an organization providing improved communication links between the people.
The employers provide, with some success, a channel for communicating money and messages of a social character through their recruitment offices and personnel departments.1 The Evangelical church and its Catholic competitor have also discussed the need for frustrated workers to find human relations and a feeling of belonging at their places of work. With little success they have attempted to organize meetings of a religious and social nature for migrants in South Africa.2 But the respective branches of the Catholic church in Lesotho and in the industrial areas of South Africa have different origins. This is an obstacle to co-operation. The catholic church in Lesotho has historically been integrated with chieftainship. Most of its priests belong to the "Oblates of Mary Immaculate" (OMI). This Order is the politically most conservative in Southern Africa and particularly active in anti-communism campaigns.

It is much more conservative than the Order dominating among priests in the Johannesburg area.3 The Evangelical church faces a similar problem of schismatic organization. But the difficulties facing the churches and employers to act as communicators stem not only from differences in ideas and organization within and between the churches but also from the fact that the workers and their families have little trust in their employers and the church officials.

The organizations which have succeeded best in forming the linkage between the migrant wage earners and their dependants have been the BCP, the trade unions, the African National Congress (ANC) and the Pan-African Congress (PAC). These movements have not only provided an organization favouring the interests of the migrant wage earners. They have representatives spread geographically. They were able to present an integrated picture of the diverse social forces facing the migrant families but however, are trusted only as long as they refuse co-operation with the establishment.

The very breakdown of the earlier existing society in Lesotho and the increased movement of people had given the political parties an important role to play in the pattern of communication. Most other institutions, including the extended family, were gradually losing their importance. The average family household had only 4-5 members.4 The reaction to the exploitation of people through low wages and racial discrimination can also explain why there was much political discussion and political organization among people in Lesotho. Another background explanation is that, during the last century there have been competing mission churches in Lesotho. The ordinary citizens of Lesotho had become used to the possibility of choosing between alternative views and contacts affecting their lives in different ways. During the first period of their existence the parties have also been connected with either of the most important churches - the Catholic church with the BNP and the other churches with the BCP. Voting seems, however, to have had little connection with the religious conviction and both parties have succeeded in involving new members from both churches. But to what extent is the conflict between the two parties an expression of a social cleavage? The background of the different parties and the conflict between them might give us an answer to this question.
Stability in Political Cleavage over Time

Political cleavages expressed in party conflicts have shown a remarkable stability over time, both ideologically and with regard to the support given to them. Since 1958, when party politics were first formally allowed, there have been two major power blocks opposing each other throughout the country in almost every village: the radical-oriented BCP and the more conservative BNP. The small royalist and liberal-oriented Marema-Tlou Freedom Party (MFP), formed in 1962 and standing ideologically between these blocks, has never managed to get a countrywide following, but has regional support around the royal village and Maseru. Two minor parties, with only a few hundred followers each, are worth mentioning because of their importance for the relation between the BCP and BNP: the Communist Party of Lesotho (CPL), operating during 1961–1970 mainly within the BCP, and the United Democratic Party (UDP) which made up the main legally articulated opposition in the Interim Parliament, appointed by Leabua Jonathan in 1973.

Major changes in Lesotho's political party structure took place in 1952 and in 1958. In 1952 most of the politically conscious citizens of Basutoland joined a common independence movement, the Basutoland African Congress (BAC), under the leadership of Ntsu Mokhehle. In 1958 a group of lower chiefs, chief's advisors and Catholic teachers broke away from the BAC and formed the BNP, under the leadership of Leabua Jonathan. The BNP continued an anti-colonial policy but stressed co-operation with South Africa when independence had been attained. The government of South Africa accepted the BNP as a party working within the framework of its policy for the Southern Africa region.

In 1959, The BAC changed its name to Basutoland Congress Party (BCP). The opinion expressed earlier—that real liberation would mean co-operation with other liberation movements in Southern Africa and would entail changes in the social structure of Basutoland—was now stressed. Even the BAC had expressed attitudes which were not only anti-colonial, but also anti-chiefs, anti-traders and anti-churches. But after changing its name, the BCP became more explicit and detailed on how power should be transferred from the established groups to the majority of the people. The BCP often talked about the right of the unfavoured and exploited sections of the population to the same opportunities as the chiefs, the traders and the priests. This line of thought was not only a direct reaction to British colonial policy in Basutoland and to the actions of the Nationalist Party government in South Africa. It was inspired by a general discussion in the colonies expressed, for example, at the All-African People's Conference (AAPC) under the leadership of Kwame Nkrumah. The BCP leader, Ntsu Mokhehle, was an active member of the Steering Committee of the AAPC from 1958 to 1962.

In 1957, that is before the BNP was formed, the Marema-Tlou Party (MTP) was announced. It supported the status of the Paramount Chief and the Principal Chiefs. It was formed as a reaction to BAC's increasing criticism of chiefs. The BAC leadership had repeatedly criticized the chiefs for being "an arm of a conservative colonial
Diagram 3.A. Origin of the Political Parties with Reference to Time and Political Bias
Government". The new pro-chief party, MTP, however, did not manage to get many supporters. In 1962, it joined the small liberal Freedom Party (FP) under the former deputy leader of the BCP, Bennett Khaketla. Khaketla had left the BCP in 1960 together with a handful of other BCP members protesting against what they saw as an authoritarian stand against individual chiefs, traders and priests.

The FP under Khaketla had not managed to get much popular support either. But the new joint party Marema-Tlou Freedom Party (MFP) rapidly organized support in the area around the royal village of Matsieng and among traders and intellectuals in Maseru. The MFP profited from the popularity of the young Paramount Chief, Moshoeshoe II. He had returned from his university studies in Oxford in 1960 to succeed Regent Mantsebo. In the 1965 elections the MFP gained 4 seats, apart from the fact that the 22 Principal Chiefs and 11 others, who were appointed to the Senate by Moshoeshoe II, also favoured the MFP. But in the 1970 election three seats were lost. The MFP kept only one seat in the House of Commons.

The Communist Party of Lesotho (CPL) was formed in 1961 and worked within the framework of the BCP. The BNP had already turned out to be highly anti-communist. It saw communism as an unknown evil, from which the people in Lesotho must be saved. In this campaign the BNP was assisted by South African mass media and the Catholic priests in Lesotho. In 1970, when the BNP carried out a coup d'état to stay in power in spite of its loss in the general elections, the CPL was banned and "communist books and propaganda" were seized or burnt by the police.

Exclusion of individual members from both the BCP and the BNP has led to several attempts to form new parties, but none of them have managed to get more than a few hundred followers. In 1967, the United Democratic Party (UDP) was formed by a few members from the BCP who favoured a more liberally oriented policy. This party stood for elections in January 1970, but did not win any seat. The UDP was, however, called in by the coup leader Leabua Jonathan to be present at the negotiations demanded by the imprisoned leaders of the BCP and the MFP in March 1970. These negotiations aimed at the formation of an interim government but never succeeded. In 1973, the coup government nominated an "Interim Parliament" with 93 seats, of which the UDP received two. (See table 3.1.D.)


A. 1960 Indirectly Elected National Council:

80 seats of which
40 were indirectly elected
22 principal and ward chiefs
14 nominees of the High Commissioner after consultations with
    Resident Commissioner and the Paramount Chief
4 British colonial representatives.

(cont. next p.)
The 40 elected seats were distributed in the following way:

- 30 Basutoland Congress Party led by Ntsu Mokhehle
- 1 Basuto National Party led by Leabua Jonathan
- 5 Marema Tlou Party led by Seephephe Matete
- 4 Independents

Comment: This National Council elected four members to an Executive Council of eight. Only one out of these four was a BCP member (Bennett Khaketla, who left the BCP a few months later). Four members of the National Council were ex-officio British expatriates.

B. 1965 Directly Elected Parliament:

60 seats, elected through general suffrage in one-man constituencies:
- 31 went to the BNP led by Leabua Jonathan
- 25 went to the BCP led by Ntsu Mokhehle
- 4 went to MFP (Marema Tlou-Freedom Party) led by Dr Seth Makotoko and Bennett Khaketla.

33 seats in the Senate composed of:
- 22 chiefs, all the principal chiefs in the country
- 11 nominees of the Paramount Chief, Moshoeshoe II.

C. 1970 Directly Elected Parliament, (which never sat because of a coup d'état).

60 seats elected through general suffrage in the same way as in 1965 but with different constituency boundaries (drawn up by an expert on constituency boundaries from the Transkei, Johannes Pretorius, chief electoral officer, provided by the South African government).
- 36 seats went to the BCP led by Ntsu Mokhehle
- 23 seats went to the BNP led by Leabua Jonathan
- 1 seat went to the MFP led by the lawyer Seth Mohaleroe and Bennett Khaketla.

33 seats in the Senate were distributed in the same way as in 1965:
- 22 principal chiefs of which five supported the BNP and the others supported the MFP
- 11 nominees of the King.

D. 1,073 Interim Parliament, nominated by Leabua Jonathan.

The seats were distributed in the following way:
- 20 representatives of the BCP
- 32 representatives of the BNP (12 of these were members of the Council of Ministers)
- 4 representatives of MFD
- 2 representatives of the UDP
- 22 principal chiefs
- 11 representatives of other important organizations (women's organizations, High Court, traders' organizations etc.).
Leabua Jonathan, officially called Prime Minister, had nominated 20 individuals to represent the BCP in the Interim Parliament. Only five of these, however, had actually represented the BCP in earlier elections. Two of these five decided to join the Interim Parliament. They were then immediately excluded as members of the BCP. The Deputy President of the BCP, Gerhard Ramoreboli, was one of the two. Fourteen of the other fifteen who decided to join the Interim Parliament were ordinary members of the BCP. Only some of them were known BCP supporters. A policy statement was issued by the BCP Executive Council to the effect that all sixteen BCP members who decided to join the Interim Parliament were expelled from the party.14

The reasons given by the BCP for the exclusion were:
1. the political parties had not been given the right to select the persons who were to represent them in the Interim Parliament
2. the persons selected were not elected by the people through the ballot box
3. participation in the Interim Parliament without any form of BCP participation in the Council of Ministers would be a betrayal of the people who had given their mandate to the BCP.

The so-called BCP and MFP nominees in the 1973 Interim Parliament did not criticize the government.15 In November 1975, Jonathan appointed Gerard Ramoreboli Minister of Justice in what he called a "National Government". Two of the MFP nominees were appointed Ministers without portfolio.16 Critical opinions against government policies came mainly from the two nominees of the small UDP.17

But also some nominees representing the BNP launched minor points of criticism. Among these BNP nominees were prominent members of the BNP who have since left either the BNP or have been dismissed from the Council of Ministers. Most of the Ministers in Jonathan's government were changed during the period of 1970-1976. The only Minister who was being retained with Jonathan was his close relative, C. D. Molapo. Molapo was also the General Secretary of the BNP for a considerable time.18 He left, however, both government and party in 1983.

After 1974, the BNP existed mainly as a core group around the Council of Ministers. But it still had somewhat of a dialogue with the dismissed members staying in their home villages.19 The BCP works underground without acknowledging those who claimed to represent the party in the Interim Parliament. Acting leaders were made known to the public and stand to begin with in contact with the exiled leaders of Botswana, Zambia and Mozambique. In 1973 and 1974, many BCP members had left Lesotho to take refuge in these countries.

In December 1973 the government uncovered a plan allegedly worked out by BCP leaders and former BNP leaders to form a "United Front" against the Jonathan regime.20 Whilst no immediate action was taken against these leaders, the regime used the alleged conspiracy as a pretext for a prolonged campaign of repression against BCP supporters, which finally forced the BCP to re-organize.
Splits in both the exiled BCP and the BNP resulted in new constellations and changes in ideologies after 1975. Let me, however, first analyze the constitutions and historical origins of the two parties.

Comparison between the Constitutions of the BCP and the BNP

Important differences between the BCP and the BNP are expressed in their party constitutions. Militant struggle is favoured as a means to reach the aims stated in the introduction to the BCP constitution. The BCP wants to "fight oppression, exploitation, and discrimination in all its manifestations", "fight against incorporation of any part of Lesotho into South Africa", and "fight colonialism and imperialism".

But the ways in which this fighting should materialize are only vaguely indicated: "to encourage the establishment and strengthening of trade unions", "to instill love and patriotic spirit among the youth", "to strive for a democratically elected government", and "to cooperate with other parties and organizations having the same aims and objects as those of the Congress Party." The BNP starts out on a softer tone: it "believes in freedom from discrimination, freedom of religion as well as all fundamental human rights as embodied in the United Nations Charter". It says nothing on incorporation into South Africa, nor exploitation, colonialism and imperialism. Instead it is firm in its opposition to any organizations or any other party "interfering in the religious affairs of any Church" and "firmly opposed to the Communist ideology and detests anybody who aligns himself with it or who propagates that ideology."

The BNP anti-communist stand has resulted in co-operation with movements and governments which fear communism and seek to form anti-communist international alliances. The Taiwanese government has been the most reliable diplomatic relation of the Lesotho government during the 1970 political crisis. The Christian Democratic "Adenauer Stiftung" is another anti-communist international contact sought. In July 1975, however, a BNP caucus meeting decided to stress the paragraph in the party's constitution which stated that it was only anti-christian communism that the party should fight. The meeting stated that the Party should freely communicate with all but "Anti-Christian Communists". This statement made it easier for the Lesotho government both to take part in world conferences on Anti-Communism and to welcome trade delegations from socialist countries during the same period.

A value promoted by the BNP is the acceptance "of the supreme authority of the Almighty God, who takes care of all nations. Upon this faith the party will endeavour to foster progress, happiness and prosperity among all inhabitants of Lesotho in such a way that the Basotho nation will live in harmony and peace". ... "The Party will strive to promote the development in Lesotho
in all possible ways. The BCP aims in its Constitution, at "unity between chiefs and commoners and also amongst people of all denominations". The BNP pledges support for the hereditary chieftainship in Lesotho on the understanding that "chiefs must rule according to the wishes of the people". Whereas peace and harmony are mentioned only in the BNP constitution, the fight against exploitation and the strengthening of trade unions are mentioned only in the BCP constitution. The BNP mentions the Organization of African Unity (OAU), but expresses only hope that African governments will cooperate in the development of Africa as a whole. The BCP states a condition for the party's co-operation with other organizations: these should have aims not incompatible with those of the BCP.

Table 3.2. Aims of the Basutoland Congress Party (extract from the BCP Constitution) translated from Sesotho

<table>
<thead>
<tr>
<th>Aims of the Basutoland Congress Party (extract from the BCP Constitution) translated from Sesotho</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) To fight for the freedom of Africa, including Lesotho.</td>
</tr>
<tr>
<td>b) To strive for the unity between chiefs and the commoners and also between people of different denominations.</td>
</tr>
<tr>
<td>c) To instill love and patriotic spirit amongst the youth of Lesotho.</td>
</tr>
<tr>
<td>d) To fight oppression, exploitation and discrimination in all its manifestations.</td>
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<tr>
<td>e) To encourage the establishment and strengthening of the trade unions.</td>
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<tr>
<td>f) To strive for the establishment of a democratically elected government and fight against incorporation of any part of Lesotho into South Africa. To fight against colonialism and imperialism.</td>
</tr>
<tr>
<td>g) To co-operate with all African movements whose aim is to put an end to oppression in all its forms and whose policies are not inconsistent with those of the BCP.</td>
</tr>
<tr>
<td>h) To establish and to further political co-operation between the organizations of Africa and the World at large, whose policy, aims and objects shall not be incompatible with those of the BCP.</td>
</tr>
</tbody>
</table>

The BNP Aims are not openly in conflict with the interests of South Africa, not even its belief in the OAU and its objectives and in the UN charter, as long as it did not aim at actively materialize these objectives. The BCP Aims are, however, in direct conflict with the security interests of the South African government. Instead of only believing and hoping that other African governments will co-operate for development, as does the BNP, the BCP itself wants to co-operate with movements which aim to put an end to oppression. This means explicit support to the liberation movements in Southern Africa.
There are some ideals which the BNP and the BCP hold in common:

a. The importance for economic development of training, education and skills.


c. A critical attitude towards racial discrimination.28

Table 3.3. Aims of the Basotho National Party (extract from the British version of the BNP constitution)

a) The Party accepts the supreme authority of the Almighty God who takes care of all nations. Upon this faith the party will endeavour to foster progress, happiness, and prosperity among all the inhabitants of Lesotho in such a way that the Basotho nation will live in harmony and peace.

b) The Party believes in freedom from discrimination, freedom of religion, as well as in all fundamental human rights as embodied in the United Nations Charter.

c) The Party will oppose anybody, any organization or any other party interfering in the religious affairs of any Church.

d) The Party pledges support for the hereditary chieftainship of Lesotho on the understanding that chiefs must rule according to the wishes of the people.

e) The party is firmly opposed to the Communist ideology and detests anybody who aligns himself with it or who propagates that ideology.

f) The Party believes in the OAU and its Objectives and hopes that African Governments will cooperate in the development of Africa as a whole.

g) The Party will strive to promote the development in Lesotho in all possible ways.

But these ideals are interpreted in different ways: a) The BNP stresses the possibilities of buying and hiring services and skilled experts, whereas the BCP stresses the possibilities of the people to gain skills, training, and education by themselves. b) BNP stresses the historically superior role of the chieftainship and continued traditional life. The nation is sometimes identified with chieftainship, sometimes with the geographical area of Lesotho. BCP stresses the right of citizens of Lesotho, including those forced to earn their living in South Africa, to decide on matters of their own interest. National self-determination is seen by the BCP as majority rule and the right to have a say individually, not through the chief or head of family. c) BNP is emphatically against racial discrimination and discrimination of minorities within the borders of Lesotho. This tends to favour the wealthy white minorities in Lesotho. These have been protected by the BNP against the abolishment of their economic privileges and against the claim for equal opportunities.
Both parties speak for the whole nation, but sometimes exclude certain groups as being opposed to the values of the party. The BCP sometimes excludes the established groups of today's Lesotho: the wealthy white foreigners, traders, missionaries, and chiefs. The BNP excludes the communist-inclined and anti-Christians.

There are interesting differences between the BNP and the BCP concerning membership qualifications. In order to be a member of the BNP one has to be a resident of the country. One becomes a member immediately after signing an oath which includes "belief in the power of the Almighty God to lead the country, and full support of a democratic life based on Christian principles". One can only be a party member in one's village of residence except for special reasons. A member will be expelled if he does not appear before his village committee after being summoned three times and cannot present good reasons for his absence. There are therefore few possibilities for a migrant worker to be a member of the BNP. The typical member of the BNP is a Catholic woman. BNP meetings were often held after Church on Sundays.

According to the estimates of the BNP executive, the party had about 6,000 members in 1969. Of these only about 1,000 had paid their membership fee. In the BNP only individual membership exists. Financial support is given on a voluntary basis. No fixed membership fee is charged. Many traders and missionaries provide large sums for the party, while the poorer members of the party are not required to pay anything.29

In order to become a member of the BCP a subscription fee of 25 cents had to be paid. All new members then placed on 18 months of probationary membership before being fully recognized. No oath was taken and no residential conditions are required by the constitution. This allows non-Christians and migrant workers to become members of the party. An annual fee of another 25 cents has to be paid each year before July. Otherwise the membership rights are lost.

According to the estimates of the BCP, this party had 60,000 paying members in 1969. Organizations are also able to joint on a collective basis by paying a total fee of R 2 annually. The Lesotho Federation of Trade Unions (LFTU), (earlier The Basutoland Federation of Labour, BFL), was one such organization. Basutoland Cooperative Industries (BCI) was another. In 1973 the BFL had 12,000 members and in 1969 BCI had possibly 1,000 members. Some of these also held individual BCP membership cards.30 According to estimates in 1980 the relation between the two central trade union organizations is still the same. After serious attempts in 1976-78 from trade union representatives of African and Asian trade unions a formal agreement has been signed between these earlier competing trade union organizations.

If we compare the constitutions with regard to party organization, we find some similarities. The BNP copied the BCP constitution in some of its organizational aspects. The BCP, in turn, originally copied the constitution of the Convention People's Party (CPP) in Ghana. As organizations, both the BCP and the BNP are centralized. The constitutions describe a powerful leadership. Both parties
have retained the leaders they had when the parties were formed. But there are important differences.

The BCP constitution requires secret ballot elections when party committees elect higher authority. (This is not required by the BNP.) The Annual Party Conference of the BCP, elected by the lower committees, has the last word on policy matters and elects the BCP executive including the Leader. The Annual Conference draws up policy in accordance with motions from the lower committees. The power of the leadership is observed mainly in two respects: a) the Executive has the right to expel members after giving a written explanation to the expelled member and to the District Committee under which the member is organized. b) The Leader has the right to appoint Treasurers in the Party Districts: this gives the Leader the last word on financial matters.31

The BNP executive is elected by a separate body called the Supreme Council (SC). This SC, although much smaller, has got rights similar to those of the Annual Conference of the BCP. It consists of the Leader, five members appointed by the Leader, three representatives nominated by the Party District Committees and six representatives elected by an Annual Conference. The Annual Conference of the BNP has no decision-making power except that of electing six members of the SC. The SC has, according to the party constitution, the right to deprive a person of his or her membership without giving any reason. It can dissolve an elected party committee at village, constituency or district levels and thereafter re-constitute its membership without giving any reason. After 1972, this right of the SC was transferred to the Leader by decision of the SC itself. The annual elections of BNP Village Committees continued in many villages after the emergency of 1970, but they were stopped in 1972 and thereafter the Committees have been appointed directly by the Leader. This is in accordance with a decision taken by the SC.32

The Leader of the BNP is not elected. The procedure of choosing a Leader is not mentioned in the Party Constitution. The Leader should be the Chairman of the Executive. Neither post is therefore elected. The President of the SC, however, is elected annually by the SC. In the elections during the 1960s, the Leader of the BNP, Leabua Jonathan, was elected President. The BNP has not held an Annual Conference since 1969. The Supreme Council together with BNP members appointed by its Leader, Leabua Jonathan, have however, met for discussions of urgent political problems each year after 1972. Because the Leader has held the constitutionalized power to appoint all committees since 1972, these committees do not necessarily represent the opinions of the BNP members.

The Leader of the BCP is elected annually by the Annual Conference, if it is possible to hold such a conference. A suggestion by the BCP leader to change the party constitution in 1959 and introduce elections every five years instead of each year, was turned down by the Annual Conference.33 The last Annual Conference publicly held by the BCP took place in 1969. In December 1973, a Conference was planned but stopped by the government without reason on the very day of convening. Many of the delegates were arrested, others were able to go underground or into exile. Elections at vil-
lage, constituency and district levels took place in 1972 and in 1973, but have since been stopped by the government.34

The BCP builds its financial strength on membership fees. It receives some assistance from other African countries and liberation movements. Initially this assistance came via the All-African People's Conference and later via the Afro-Asian Solidarity organization. There is much speculation but little evidence of who the actual donors are. The BNP claims that the BCP receives its funds from the Soviet Union and China. There is however no evidence of that. According to the general secretary of the MFP (formerly deputy leader of the BCP) Bennett Khaketla, the BCP has never received any direct financial assistance from any communist government. Ghana, during the 1950s, and the Liberation Committees of the OAU during the 1960s did channel funds to the BCP according to the same source. Even in 1967, when Lesotho was independent, the BCP was still receiving assistance from the OAU Liberation Committee. Assistance through this channel stopped thereafter.35

The BNP does not build its financial strength as the BCP on membership fees. It has always relied mainly on voluntary gifts. South African trading companies sponsored the party in the election campaign before the 1970 election. Individual Catholic priests also provided substantial sums. The largest sponsor in the 1965 election was the government of South Africa, who donated R 15,000 to the BNP. A further R 10,000 came from the West German Adenauer Stiftung. The BNP leader lost in his constituency. Three months later he stood in a by-election for a safe BNP constituency at Mpharane. He was then given 100,000 bags of grain by the Prime Minister of South Africa, H. F. Verwoerd, as a personal gift "to help him feed the starving people of Lesotho". A large proportion of this grain was distributed in the constituency of Mpharane before the by-election was held.36

The importance of the size of financial assistance for an explanation of the success of different parties should not be overestimated. It is generally believed in Lesotho that large funds spent on pamphlets and transport facilities have little effect and that voters consider reliance on membership fees to be better than reliance on outside assistance.

In 1965 the BCP received funds for transporting its members by landrover and bus to large meetings in the lowland, whereas the BNP then had to rely more on horseback for transport to small meetings all over the country. In 1970, the situation was the opposite. The BNP had government transport facilities at its disposal, whereas the BCP campaigned through convincing people by face to face contacts at many meetings at the homes of people all over the country. The BCP could print and spread many pamphlets in 1965 just as the BNP did in 1970. The BNP also used the government radio for its campaigns, and this advantage given to the BNP was successfully criticized by the BCP as immoral.37
Political Ideas, Origin and Support of the Basutoland Congress Party

The organization of the first political mass movement in Basutoland, the Basutoland African Congress (BAC), started in 1952. Migrant workers in South Africa and villagers in Basutoland formed the ideas which made up its policy. The origin of the BAC was among groups of African National Congress (ANC) members in South Africa and members of the Lekhotla-la-Bafelo (The Commoners League) in the densely populated villages of the Western lowlands of Basutoland.

Ideas of Democratic Socialism and Popular Participation

According to its leader, Ntsu Mokhehle, the two important questions that the BAC won members on, when it was formed in 1952, were: 1) opposition to incorporation of Basutoland into the Republic of South Africa and 2) self-rule.

During the 1950s, laws for Basutoland were proclaimed from the British High Commission in Pretoria and Mokhehle argued that fighting colonial domination was the same as to fight white domination of South Africa. The situation of the opposition in Basutoland differed, however, somewhat from that in South Africa at the time. It was easier, after 1948, to argue with Great Britain for the independence of Basutoland than it was to argue with South Africa for equal rights for black and whites. The anti-British Nationalist Party in South Africa had come into power in 1948. The BAC tried to convince Britain that a transfer of Basutoland to South Africa under these circumstances was not only against the interests of the Basotho, but also contrary to the interests of the British. The BAC co-operated with other Pan Africanist movements during this time period.38

During the 1950s, Ntsu Mokhehle and the group around him convinced an increasing number of villagers and migrant workers that decisions taken by people themselves were better than decisions by employers, chiefs, clergymen, traders and colonial officers. The BAC leaders went around educating their followers in the evenings, at their homes and places of work. Self-confidence spread and made possible the continued growth of the BAC movement. A belief in future self-government with popular participation was one important basis for the opposition to incorporation of Basutoland into South Africa.

Ntsu Mokhehle has explained this mobilization of people in Basutoland in the following words:

The questions the BAC won members on during the 1950s were decided by the people in the villages. We discussed the problems in the way they appeared in the villages, problems in relation to the trading stations, problems in land allocation and so on. We were of course aware of the fact that we had to fight also at the government level and take over the Legislative Council.
The focus was at the village level in our party work. It was through winning people in the questions that concerned themselves and to make them see their right, that we could become the strong party we became.39

The development of political consciousness that Mokhehle describes was initiated by a well-organized movement based on ideas inherited from the South African ANC and the Lekhotla-la-Bafo in Basutoland. Mokhehle himself was a member of both and so were most people around him. The training of workers and villagers to become conscious of their own political power was essential since these would otherwise have little possibility to articulate their aspirations, according to Mokhehle,

Oppressed people have no time to think freely. They are under pressure of the chiefs, the trading stations and the churches. The BCP tried to make people conscious of their rights in relation to these. We referred to history, to say that people had been powerful before even in relation to chiefs. We managed to slowly take over the decision-making at the village level, to make people see that they could decide for themselves and that the result of these decisions were better than the decisions made by chiefs, traders and others.40

The political ideas dominating the BCP after 1958 were those of democratic socialism. Lesotho was seen as a society of exploited workers and peasants in conflict with the exploiting traders, chiefs and colonialists, aided by the churches. The BCP saw the hierarchical system of chieftainship as a potential basis for continued foreign dominance in Lesotho after independence. Common land ownership was basic to the BCP policy at village level. Common land without the chiefs being in control of the allocation was an important political aim. Popular participation in development was considered more important than rapid economic growth and the co-operative movement was seen as one important method to reach this aim.41

In the 1960 election the BCP became the largest political party, but was not allowed to take government power. In those District Councils and Village Committees in which the BCP was in the majority, the BCP was however able to implement its development ideas. Ambitious projects of social welfare, agricultural production, and small-scale co-operative industries were started.42 Attempts were made to create jobs through restructuring the village economies. Co-operatives were established, for example using the skills of repatriated migrants and craftsmen who had gained their skills in post second world war programmes for ex-soldiers in Basutoland. A whole range of co-operative industries and agriculture schemes was started. No official financial assistance was given by Britain to these projects, but non-governmental and idealistic work by British individuals was important. The co-operative ideas had, however, been introduced by the British co-operative educators during the 1940s. Some financial assistance came initially from Ghana or from migrant workers via the District Councils. Some of these co-operative production units and shops were able to compete with the trading companies.
These co-operative enterprises established during the early 1960s through the efforts of the District Councils and the BCP later were organized under a common association, the Basutoland Co-operative Industries. After the BNP gained power in 1965 most of these were however closed down by the BNP government. The Lesotho Chamber of Commerce, consisting only of white large-scale traders urged the government to close these with reference to their disorganized bookkeeping. According to the BCP the reason was rather that the co-operatives competed with the established traders. The co-operatives concerned the following professions among others:

- cattle service
- wool producers
- building groups (brick-making)
- cabinet-makers
- water engineers
- shoe-makers (still operating)
- carpenters (still operating)
- knitters and cloth-makers.

Before the 1965 election the BCP could refer in its programme (under point 8) to successful existing co-operatives. These had by then become an important part of Basotho life. The BCP programme was summarized in the following way by the journalist Jack Halpern in 1965:

1. Improvement of all social services
2. Free and universal education
3. Unyielding opposition to South African influence in Lesotho
4. Nationalization of the diamond diggings
5. Thorough geological survey of the whole country
6. Improvement of agriculture
7. NRC, the recruitment organization of the South Africa Chamber of Mines, should be replaced by a government agency
8. Introduction of more co-operative movements
9. Minimum wage
10. Vote for all, including women
11. Encouragement of industries with help of the United Nations
12. Freedom of worship, keeping religion out of the political arena

Point number 9 above, about minimum wages, was soon found to be less relevant as a party goal since unemployment was considered a greater problem. The silence on land tenure in connection with agricultural development (point 6 above) was broken. Immediately after the elections common landownership was stressed. Otherwise exactly the same programme was presented for the 1970 election. On the question of how the BCP could believe in any kind of development in the midst of a country ruled by a hostile government and with powerful international companies expanding in the region, one of the BCP ideologists G. M. Kolisang answered in 1972:

If society would function in a way where the only dynamic element was the dominating capitalist part, the South African economy would have finished off Lesotho or would be doing this in
the future, because it is impossible to put borders around the country.

But there are other processes going on within South Africa and also outside, which oppose the same process that seek to dominate Lesotho, and these processes together with dynamic processes going on within Lesotho itself resist the encroachment of South African finance.

In other words, if we were dealing with a static situation where the only dynamics lay in the strong South African economy, the logical thing to do would be to leave Lesotho alone and ultimately the force and the power of South Africa would finish Lesotho off.

The workers of Lesotho give their hope to a dialectical relationship which emerges out of conflicting forces. Lesotho has throughout history survived because of trends opposing the dominating capitalist forces ruling in Southern Africa.45

Popular confidence in the future possibilities of the BCP strategy has long been a mystery to political observers from Western countries.46 One important reason for this confidence, I think, is the strong belief in history being dialectical that has been spread by Lekhotla-la-Bafo and the BCP. According to this dialectical view of history, the forces opposing the present order will sooner or later be the dominating element in society. Another important reason for the mentioned confidence among BCP supporters is the feeling of not being alone in the struggle for better living conditions. The co-operation with the liberation movement in South Africa is the basis for this feeling.

In 1975 the BCP leader Mokhehle, then in exile, described the alternative policy with which the BCP would replace that of the BNP. He referred to the restructuring of the economy for an increased control and gradual improvement in living conditions:

We would conquer the process to make houses, to make cloth, to make things that people use in their daily work. We would try to disengage as much as is practically possible (from the international economic system). ... Only South Africa gains of the kind of development policy that Jonathan stands for. Look at Optichem (the fertilizer factory), ... Domolux (lamp factory), ... and the carpet factories. Everything used in production is imported and everything produced goes for export. We would not say no to development aid, maybe not even to factories resting on mechanization. But the policy would be to slowly link together the parts of production we have with the needs we have.47

(Authors note within brackets)

Land, people and education were seen as the main resources. The BCP was more optimistic about the possibility of creating better living conditions through training people and utilizing the resources the country already had. These are just some of the development schemes which were made politically issues in Parliament during the period of 1960 to 1970:
a. The water should be exploited in small-scale electricity plants instead of being exported from the large scale Oxbow-Malimabatso project which meets the needs of the Chamber of Mines in South Africa, as was the plan of the Colonial power and later of the BNP Government.

b. The diamond resources should be exploited in labour intensive surface mining with some mechanization instead of capital intensive mining with technology and capital controlled by the De Beers monopoly.

c. Cloth production from the wool and mohair of Lesotho should be expanded.

Origin in Lekhotla-la-Bafo and African National Congress

When the BAC was formed in 1952, it had support both in the form of finance and personnel from the African National Congress (ANC) in South Africa. Many individuals from Basutoland who were politically active had long been members of the ANC. The BAC co-opted two political organizations in Basutoland: the Lekhotla-la-Bafo formed in 1913 by villagers at Mapoteng in Western Lesotho, and the Progressive Association (BPA) formed by a group of commoners as early as in 1907. The Lekhotla-la-Bafo had about 1,000 followers and the BPA about 2,000. None of these ever became a party, but they acted as pressure groups now and then. They kept a political discussion alive in the interest of commoners in opposition to the colonial power and high-ranking chiefs. The former followers of the BPA were among those who left the BAC to form the BNP in 1958 under the leadership of Leabua Jonathan.

To understand the policies of the BCP it is important to study the Lekhotla-la-Bafo. This organization continuously adopted a dialectical view of social change. Its members were self-educated men, active in reinterpreting the historic knowledge of South Africa and Basutoland and presenting findings together with demands for increased power to the commoners of Basutoland. Chiefs and church representatives were seen as traitors because of their roles as employees and supporters of the colonial exploiters. The commoners had a right to decide for themselves, like they had done before, and they had the chance to succeed since, according to the Lekhotla-la-Bafo, relations between people were continuously changing. The preamble of the constitution of Lekhotla-la-Bafo reveals a critical opinion towards Moshoeshoe I:

Whereas the late Chief Moshoeshoe and his successors in office did not satisfy the people in their government by the establishment and sustenance of a national assembly known as a "Pitso" and held at Thuta-Ea-Moli.

- And whereas the said Pitso was in the year 1903 abolished and the present Basutoland National Council constituted, composed of the chiefs and their advisors.
- And whereas the present composition of the National Council,
is not in the best interests and good government of the territory by reason of the exclusion from membership of persons and associations other than the chiefs and their advisors: it is resolved:

(a) to form an association to safeguard, promote and protect the best interests and welfare of its members and persons other than the chiefs and their advisors.

(b) to seek recognition and representation of Commoners in the National Council and the Constitution.52

According to the Lekhotla-la-Bafo the chiefs had become "hirelings of the foreigners", and had "helped the Resident Commissioner to subvert the traditional democratic institutions of the country and had forfeited the trust of the common man". Christian missionaries along with the British Civil Servants were seen as destroyers of the "Basotho personality". The Catholic Church in particular was criticized since it accepted gifts of large areas of land from the Paramount Chief. In the period 1912-1939 when Griffith was Paramount Chief he did everything possible to advance the interests of the Roman Catholic church. He was indifferent and even hostile to other missions and their supporters. Conflicts both within the BAC and the Lekhotla-la-Bafo have usually centred around the kind of strategy to use in relation to the chiefs. Common ownership of land is accepted as a traditional principle to be preserved. Land and chieftainship are, however, very closely related. When the British wanted to introduce a private land ownership the chiefs were seen as an ally in the struggle against the British. The main line taken towards chiefs was that these should have their power decreased. This was a principle with which the British colonial power agreed in the late 1930s. Lekhotla-la-Bafo as well as the more elite-oriented BPA supported this line.53

Later the Lekhotla-la-Bafo changed its strategy and supported the chiefs' demands to keep the land allocation system and strengthen its collective aspects, when the British colonial government suggested that private ownership of land should be introduced. Retaining the land allocation system whilst urging the chiefs to listen to the advice of village committees became the strategy of the Lekhotla-la-Bafo. This strategy has been adhered to by the BCP.54

Josiel Lefela was the founder of Lekhotla-la-Bafo in 1913. But it was only after the war in 1919 that the organization spread and became active. From the late 1920s and onwards, about a thousand members were active within this organization. It was spread in the lowland and foothill parts of Basutoland and had its centre in Mapoteng in the Berea district. During the 1930s Lefela was no longer the leader of the Lekhotla-la-Bafo. He was its International Secretary, communicating with organizations and individuals all over the world, campaigning for the recognition and acceptance of the oppressed people of South Africa and Basutoland as arbiters of their own destiny. In spite of his not being considered the leader by his own organization, the British colonial government chose Lefela to represent it in the National Council when it finally responded to the demands for representation. The National Council earlier consisted of only chiefs and their advisors and the colonial officials,
Lefela criticized the British with reference to agreements signed between Great Britain and the people of Lesotho. He argued that according to these agreements, the country had never been colonized.55

During the second world war Lefela was put in prison together with other leaders from Lekhotla-la-Bafo for campaigning against military recruitment of Basotho for the battlefields of Europe.56

When the war was over the imprisoned members of Lekhotla-la-Bafo were released. Lefela’s critical statements in the records of the National Council are interesting to read. They reveal the insights of informed participants in the politics of the colony. But the British colonial officials at the time were seldom present to listen to the lengthy speeches of Lefela.57 On the 12 March 1957 the Lekhotla-la-Bafo assembled at Thaba Bosiu, the place of the capital before colonization. The organization then decided to dissolve itself and become part of the BAC.58

The ANC was the main political organization with which the migrants met when in South Africa. Koenyama Chakela, General Secretary of the BCP until 1976 (when the BCP split and Chakela became the main leader) describes the origin of his party in the following way:

Those Basotho who worked in South Africa had already become more politically conscious than the people at home. The Basotho from Basutoland who already were members or held posts in the ANC tried to pull to organize a party for Basutoland. We who came to work in South Africa and met there came from different villages in Basutoland and we agreed that when we came home to our villages we should make sure that when we left for South Africa again we would leave behind a few people who understood our political ideas and who could form a unit back home. That is how we spread the ideas of the ANC all over the country... Many Basothowere workers in industries and they were conscious as workers... Some of them received high posts within the ANC organization and leadership.59

During the entire 1950s, the BAC Annual Conferences were dominated by delegates from the Transvaal and the Orange Free State branches of the party. Later the number of members within Lesotho increased and eventually came into the majority. Many women were members and made up the base of the party inside Lesotho. It was common to hold dual membership cards for the BAC and the ANC. In 1959 this was forbidden. The reason stated at the Annual Conference was that the BCP should keep out of the conflict that was developing between the ANC and the militant break-away faction of the ANC Youth League, formed in 1958 calling itself the Pan-African Congress (PAC).60

The BCP maintained relations both with the ANC and the PAC, attempting to avoid close involvement with either of these organizations. Both the ANC and the PAC have at times criticized the BCP for having relations with the other organization. For practical reason the BCP was forced to co-operate with both of them at the places of work in the Republic.
Mokhehle in 1975 argued that the PAC was on the way to becoming a mass movement when it was banned in 1960, whereas the ANC was an elite-oriented organization and was less active than the PAC in mobilizing a following. His opinion was that PAC's militancy in organizational methods resembled those of the BCP and the BCP owed much of its organizational experience to this movement.

But the political analysis of the PAC movement was less detailed, and also less radical. The BCP owed much of its historical analysis and social views to the socialist tradition within the ANC and the Lekhotla-la-Bafo.

After the ANC and the PAC were banned in South Africa in 1960, the BCP suddenly gained a strategic position. The BCP was organized across the borders of Lesotho and had relations with both organizations. The BCP leadership was, however, criticized by both the PAC and the ANC for its leader's "bossy" attitude towards refugees and for its far-reaching aspirations. An example of the ambitions of the BCP is given in a speech by Ntsu Mokhehle in Cairo at the Committee of Twenty-Four African States in May 1962:

Our activities are not and cannot be limited to Basutoland alone. We are geographically surrounded by the Union of South Africa and live in the same political atmosphere as Bechuanaland and Swaziland. Our political interests and activities extend into these territories. Political movements are only being started in Swaziland and Bechuanaland and in the Union of South Africa the ANC and the PAC have been banned; the leaders of these organizations are bitterly persecuted - some are banned and restricted to small areas, some have been deported into the wilds of the country, some are in jail, and some have scattered all over the world as exiles. The result of this is that the BCP today is the only liberation movement in the southern end of Africa that is freely, openly actively engaged in the liberatory struggle. As a result, we have become the object of attack by the imperialists and colonialists in all these southern territories.

But the fact that BCP for a period was left as the only "liberation movement" allowed within South Africa led to attacks not only from the "imperialists and colonialists". The ANC and the PAC also increasingly considered the BCP as a competitor. In Basutoland the situation was complicated; the ANC and the PAC competed with the BCP in winning members, at the same time as the ANC and PAC refugees depended on the BCP for their living expenses. The BCP allowed the South African refugees to become organized politically. It also supplied their living expenses through resources provided by the Liberation Committee of the All-African Peoples' Conference (AAPC) and later the OAU. The severe conflict between the PAC and ANC, particularly in exile, made the situation even more complicated. Suspicion developed between many of the refugees. This situation was remembered when the BCP depended on ANC in exile after 1970. PAC inclined Mokhehle was isolated politically in Lusaka.

During the 1960s in Basutoland, the BCP was criticized by the British and South African governments for sponsoring communists. Kidnapings of refugees
were justified by the South African police with reference to the security risk of having communists in the "heart of South Africa". The BCP was active in reporting cases of South African kidnapping to the United Nations and the AAPC. The British government did not protest against the kidnappings until an international opinion was formed. After the BNP came into power in 1965 officially no South African refugees were allowed into Lesotho for the period 1966–1973. In 1973, after a case of South African kidnapping of refugees in Lesotho the BNP government decided to change its policy. An agreement at the United Nations headquarters was made between representatives of the BCP, the BNP and the ANC that refugees from South Africa should be allowed to stay under the condition that they did not organize politically in Lesotho.

The Communist Party did not originate from the BCP, but when the Communist Party of Lesotho (CPL) was formed in 1961, its aim was to act mainly via the BCP. It claimed to have about 600 members, but their names were never disclosed. Only one member disclosed his name, John Motloheloa, a refugee and former trade unionist from South Africa. With reference to the active subversive activities of the anti-communist neighbour country through the kidnappings by the police, it was claimed necessary to work indirectly. The CPL had an extensive educational programme, which included courses in marxism given to BCP members. A party programme was published in 1961 and a newspaper was distributed. The CPL was banned in 1970.

Summary of the aims of the Communist Party of Basutoland, 1961

1. A socialist republic of Lesotho.
2. Work for a united front with the BCP and all other progressive forces.
3. Full and immediate independence.
4. UN membership.
5. A national bank.
6. Own currency system.
7. Fight the common enemy, South African imperialism.
8. Maintain close and friendly relations with the progressive movements in the Republic of South Africa such as the South African Communist Party and the ANC.
9. Demand a re-arrangement with the mines and other South African employers to pay adequate wages, guarantee safety conditions and trade union rights.
10. Demand that negotiations be opened to provide Lesotho with an outlet to the sea in return for territories wrongfully included in the Republic by British imperialism.
11. Organize on the basis of democratic socialism, collective and individual leadership and the subordination of the minority to the majority.

It is interesting to see that before the elections in 1965, when Leabua Jonathan met the South African Prime Minister Verwoerd, one of the questions discussed was the territories inhabited mainly by Basotho in South Africa, referred to in point 10 in the CPL programme above. South Africa and Great Britain held discussions during
the early 1960s after a South African initiative about the appointment of commission which should specify the borders between Basutoland and South Africa. No decision was taken. Jonathan when discussing with Verwoerd had not yet reached his position in government. Still, he raised the question of the Eastern part of the present Orange Free State which belonged to the precolonial state "Lesotho", but was transferred by Great Britain to the boer republic. Verwoerd declared that a small part of this area was to become a bantustan for the Sotho population in South Africa, the QwaQwa bantustan. It was not clear how many of the more than four million South African citizens classified as Sotho by the tribal standards applied in the South Africa. The Qwa Qwa bantustan might, however, in a distant future be administered jointly with the future independent Lesotho, according to what is known about what Verwoerd said at his meeting with Jonathan. The meeting was much criticized and speculations about both incorporation of Lesotho into South Africa and speculations about incorporation of the QwaQwa territory with its large and poor population into Lesotho were expressed in Basutoland. The discussion was dropped but the independent government of Lesotho was approached by South Africa about the appointment of a Joint Border Commission. The Lesotho government accepted only in 1975, "in principle to the appointment of a Joint Boundary Commission at a time and with terms of reference to be agreed between the Two Governments". The United Nations had in 1974 supplied an expert in international law and in 1976 supplied a justice to become Boundary Commissioner. The two governments have so far not agreed on the terms of reference for the work of the Joint Boundary Commission appointed.69

Support by Workers, Co-operative Farmers and Students

The BCP claims to draw its support from peasants and workers,70 but also obtains some support from the educated groups. "Only the ignorant vote for the BNP" was one slogan used by the BCP supporters before the 1965 and 1970 elections. During the early 1960s BCP was the party which was entrusted with the distribution of most of the available scholarships.71 According to the BNP this led to a tendency for intellectuals and students to support the BCP during this early period, a tendency which the BNP claims to have later reversed partly through the BNP control of most of the scholarships, partly through the system of state employees being required to belong to the BNP as a condition for keeping their employment. A split within the educated group emerged. The educated, who still support the BCP, are mainly those who have worked in South Africa. Among them are trade unionists, who often are skilled workers and carpenters, shoe-makers, tailors and clerks.72

There are, as already mentioned, two powerful organizations collectively affiliated with the BCP. These are the Co-operative Movement and the Basotho Federation of Labour (BFL), later called FLTU. The former organizes mainly farmers and craftsmen, the latter workers, farm labourers and other employees in both Lesotho and South
Africa. Three of the four trade unions joined the BFL in 1960. They were the Transport Workers Union, The Commercial Employees Union and the Teachers Union. The General Workers Union joined the BFL. The Industrial Workers' Union and the Mine-Workers' Union were the most important within the BFL because of their large membership.

Many trade unionists stood for election to Parliament as BCP representatives. Through this party they worked for better working conditions for their members. But not all BFL organized people were BCP supporters. During the period 1960 to 1970, the policies of the BFL and BCP respectively were according to their own statements, to support each other while remaining separate organizations. During the post-parliamentary period, that is after 1970, it has become more difficult to distinguish the work of the BFL from the work of the BCP.

In July 1973 the BFL held a conference where a declaration was prepared with demands to the government, including the right to organize politically. The system to require BNP membership cards for employment, "Liphephechanafa", was particularly criticized. The BFL demanded that employment on political grounds should be forbidden. During the period 1970-1973 this system had virtually excluded all BCP members from employment both in government and in private enterprise. The BFL also criticized the government for inviting foreign monopolies employing few workers from Lesotho and for neglecting the problems of the continued existence of the migrant labour system. The BFL demanded that nationally controlled enterprises should be established in Lesotho to curb the outflow of labour into South Africa and enable Lesotho to be economically independent.

The BFL conference demanded frequent consultations with the Minister responsible for labour affairs to review workers' problems. The government accepted this demand two years later after large demonstrations by the workers. Representatives of the BFL were accepted in bargaining with the Labour Department and with the employers' union from November 1975 onwards. The BFL has used this position to promote elements of the BCP strategy.

In 1975 the BFL represented 13,000 members, whereas the trade union organization, Lesotho General Council of Workers (LCW), started by the government in 1970, represented only 1,500 members according to its own estimates. According to the BFL, the LCW had only about 400 members. An ILO mission to Lesotho in 1975 estimated the lower figure as more accurate. In spite of the small size of the LCW, the government attempted in 1974 to make this trade union organization the only legal bargaining partner to the Employers' union of Lesotho. The United States educational programme for trade unionists was only available to LCW unionists.

The government decision to legalize only the LCW and not the BFL was, however, never implemented. The BFL organized meetings at larger places of employment to discuss which organization should represent the employees. The meetings ended with declarations urging the employer to force the government to accept the BFL as a union representative of the employees. The only two large pla-
ces of employment where the LCW had members were the Holiday Inn of Maseru, although the BFL had more, and the Institute of Catholic Publications in Mazenod, where the LCW was in the majority. Government and public enterprises were dominated by the BFL. The Employers' Union called upon the government to recognize both the BFL and the LCW because of the likelihood of strikes.80

Political Ideas, Origin, and Support of the Basotho National Party

The BNP was formed in November 1958 by a group of BAC members who broke away under the leadership of Leabua Jonathan and Gabriel Manyeli. It appeared as a mild and modest alternative to the increased radicalism of the BAC, later BCP. It criticized the BCP for being too militant. The BNP itself is militant on one point: anti-communism. It stressed from the beginning peace and harmony instead of conflict, a Christian life instead of socialist ideas, and cooperation within the present order also in relation to South Africa.

Ideas of Political Harmony and Economic Growth

Two sets of ideas have dominated the BNP during its entire history and are therefore worth further study: 1) the idea of harmony and chieftainship as an expression of the people's united will and 2) the idea of economic growth through inter-dependence with South Africa and other "free world countries".

The idea of chieftainship as an expression of the people's will is mentioned in the BNP constitution, but not elaborated there. It is an important element in the BNP policies as presented and interpreted in the village.81 It is closely connected with a view of society as harmonious, when undisturbed by foreign ideas of communism. The view of the "good chief" is another element in the belief in chieftainship as an expression of the people's will. This concept has been developed by the frustrated ex-Chiefs, deprived of their jobs during the period 1938-1946, as mentioned. These village chiefs, their relatives and their advisors were often members of the BNP and their ideas had important implications for the image of the BNP in relation to the voters. They worked for a return to the social and political order that existed during the first half of the 20th century, when they chaired a village lekhotla and were backed by the government. When the BNP came into power it was on a programme of giving these ex-Chiefs their roles back. According to the ideal, harmony and unity are gained through the chief's constant dialogue with his people at the lekhotla and the pitso. The chief is seen as the true representative of the commoners. A special advisor educated him in the art of listening to the people. He was taught the customs that had evolved from the relationship between former chiefs and the common people. The balance between different groups was believed to have been settled.
through successive compromises, through discussions at the ZekhotZa, the village meeting place and court, chaired by the chief or his advisor. The institution of ZekhotZa was abolished in 1938. Stimela Jingoes, born in 1895, and an advisor to several chiefs and chief-tainesses, remembered the ZekhotZa in the following way:

Any boy growing up in Lesotho in my time absorbed knowledge about the laws of his country without conscious effort because, from an early age, he joined the men at the village ZekhotZa. There he would hear disputes being settled, points of law argued and customs discussed. There anyone, even a boy, could put questions to the disputing parties and their witnesses, and a boy was never too young to add whatever knowledge he had about the case before the ZekhotZa. ... In those days women did not accuse each other at the men's ZekhotZa when they had a dispute: they had a hearing before the headman's of Chief's wife, in a special women's court. It was a great shame for a woman to appear in the men's ZekhotZa, so women either came to blows when they fought, or had to ask more senior women to settle their disputes.82

The BNP government did not, however, re-introduce the ZekhotZa, but another institution of traditional character, the pitso. The pitso in its present form was first introduced by Moshoeshoe I.83 According to C. D. Molapo the pitso was the best way to express the people's will:

The will of the people will be known at village level and at national level through the pitsos. The pitsos are unique and characteristic of Lesotho and we hold pitsos both at national and village level. Everybody is allowed to speak without party affiliation. ... Anybody can speak, without having been prepared first by a party group.84

The pitso is a meeting of all people in the area of a chief. It is called together by the chief on special occasions, when he or a representative of the government or aid organizations wants to make a statement.85 As a general meeting for announcements by officials the pitso seems to function well. The police usually call together everybody in the village or larger area to be present. The presence of the police at the pitsos is, however, regarded by many as a way to prevent criticism against the government.

The statement by C. D. Molapo above includes a critical reference to party politics. The pitso is seen as an alternative to party politics. This negative view towards parties in general is often expressed by representatives of the BNP. Their own party is presented as a unit above parties, a national party to unite different factions of the people.

Harmony, peace and unity have been often repeated ideals in statements by BNP representatives. Other terms for vaguely the same thing have been used over the years: "holiday from politics", "reconciliation" and "Moshoeshoism" are terms used since 1970.

In March 1970, Jonathan declared, that there was to be a five-year holiday from politics and blamed the parties for having caused the state of emergency announced earlier the same year.86
the BCP and the MFP nor the Prime Minister's own party were, however, prepared to accept such a recommendation.

"Reconciliation" was another slogan declared by the BNP government in 1972\textsuperscript{87} after a recommendation from the Catholic Archbishop in Johannesburg. Catholic priests had taken part in campaigns against BCP supporters during the 1970 emergency period.

"Moshoeshoism" was the new philosophy of the "National Government" announced by Jonathan in November 1975.\textsuperscript{88} This government was to include also minorities. Representatives of the small factions of the "BCP" and "MFP" in the Interim Parliament were appointed Ministers. "Unity and peace under one leader, Moshoeshoe the Great" was an expression used already in the party programme of 1958. "Moshoeshoism" stood for methods of all kinds, both peaceful and violent, to unite people in a period of conflicts. According to the BNP, the BCP stood for party politics which was seen as a major cause of conflict, whereas the BNP was "national" in the sense that it wanted to unite the people in the present territory of Lesotho by all means and also let minorities have a say in government.\textsuperscript{89}

Moshoeshoe's rule\textsuperscript{90} was, according to Jonathan, well described in a lecture\textsuperscript{91} at Moshoeshoe Day in 1974 by Mosebi Damane. Damane states that Moshoeshoe formed a Council of Matona,\textsuperscript{92} advisors, to whom he always listened before taking important decisions. They were chosen by him to represent different sections of the population, also minorities. They were experts in specific areas of society, cattle and agriculture, defence, foreign relations, education etc. Moshoeshoe felt free to call in new advisors whenever new problems arose. The Matona were not his relatives and did not necessarily agree with him on general matters. He used his relatives as subordinate regional rulers. They took orders from him and the Council of Matona. The regional rulers were gathered at national pitsos together with "their people", the advisors and other interested people. These national pitsos were called in at times of crisis, and when it was possible regional pitsos were held in advance. The pitsos were held mainly to hear the reactions of people to specific proposals made by Moshoeshoe, after he had discussed them with his advisors. People were expected to approve or disapprove. The reactions were well articulated, according to witnesses, but the system did not allow much discussion of alternatives.

Jonathan's aim was, according to his own statement, to reintroduce the system of rule as it was under Moshoeshoe. It is, however, clear that he intended to play the role of Moshoeshoe himself and not his prime advisor. In spite of this intention he called himself from 1970 onwards \textit{Tona-Kholo},\textsuperscript{93} prime advisor to King Moshoeshoe II. The King was made a "constitutional monarch" and restricted by a special Order decided by Jonathan's government after the constitution was abolished in 1970.\textsuperscript{94}

Peaceful co-existence and inter-dependence with South Africa are frequently stated as methods for the economic development of Lesotho. In the campaign before the 1970 election, Leabua Jonathan stated at Mafeteng:

Leave the problems of South Africa to the South Africans. This accords with the principle of the sovereignty of independent
states. The safety of Lesotho and the Basotho lies in peaceful co-existence with South Africa and other free world countries. Where countries do not live in peace with each other bloodshed results. We treasure the blood of our brother Basotho... Lesotho's safety lies purely and simply in the degree to which Lesotho can maintain friendship with South Africa now and also with the rest of the free world. In the coming elections the Basotho will be deciding whether or not to live in peace with South Africa. The safety of Lesotho lies with the Basotho National Party.95

The BNP lost the election to the BCP in this constituency as well as in the country as a whole.

According to the South African government, "separate development" was designed to provide a system of local government for Africans by Africans, but under white guidance and control. Laws in 1951, 1959 and 1963 provided for a system of separate territorial "development" with Bantu authorities, all under white control. At that time these laws and the programme for "separate development" included the Basutoland, Bechuanaland and Swaziland territories as well as South West Africa and the Native reserves of the Republic of South Africa.96

After the Sharpeville massacre in March 1960 against black people demonstrating for the abolishment of the Pass Laws, international pressure on the South African government hardened. In 1963 the South African Prime Minister H. F. Verwoerd felt obliged to declare, at least ostensibly, his government's benign intentions.

... until now, I have always refrained from discussing the High Commission Territories in public. However, since we have to suffer abuse on our policies even within the United Kingdom Parliament and elsewhere from its members and from representatives of the British Government, I feel free to discuss in public - although dispassionately - what in fact is a United Kingdom responsibility, but of great concern to us.

... Suppose these territories were South Africa's responsibility, and not the United Kingdom's what would the effect of our present policy be?97

Verwoerd then mentioned the Transkei as a model for future developments in the High Commission Territories and pointed to what he called separate democratic development in the bantustans and in line with South African policies.98

1. We would aim at making them democratic states in which the masses would not be dominated by small groups of authoritarians. Instead, natural native democracy and its leaders coupled with representative democracy - as in the Transkei - would lead the whole population to democratic rule over its own country.

2. We would steer away from multi-racialism. Where whites would be needed and must remain for some time they should vote in South Africa just as the citizens of the High Commission Territories are voters in their respective homelands when they work in South Africa.
3. We would have the territories adjacent to us advance in the economic sphere. To help them we would apply our border industries policy near the boundaries. ... For example this could easily be applied close to the Basutoland-Free State border... Employees would be able to spend their incomes within their own states so that these can be built up.

**Origin in Chieftainship and Anti-Communism**

It is difficult to accurately trace the roots of the BNP, but there are several different reasons given for the emergence of this party. The leader was from the beginning Leabua Jonathan, a former BAC member. According to two pamphlets published in 1970 and 1972 by the Lesotho Information Department it was:

1. a reaction by "chief Jonathan" to the formation of the royalist Marema Tlou Party in 195799
2. a reaction to communism, which was dominating the main political organization in Basutoland, the BAC led by Ntsu Mokhehle.100

As we have seen, both the Marema Tlou Party (MTP) formed in 1957 and the BNP formed one year later broke away from the BAC because of the hostile attitude of the BAC towards chiefs. The MTP and the BNP however favoured different chiefs and were in conflict with each other. The BNP was supported by ex-chiefs, who would have held hereditary positions if the colonial government had not dismissed the lower chiefs who were their ancestors. The MTP did not, however, voice the interests of these ex-chiefs but favoured a strong position for the existing high-ranking chiefs particularly the Paramount Chief. In the first of the two pamphlets mentioned above, this is expressed in the following way:

Chief Jonathan's interest in encouraging the Chieftainship hierarchy to acknowledge the voice of the people resulted in several clashes between himself and the ultra-conservative elements of the Chieftainship. This led to his final break with these elements to found the National Party, which eventually carried Lesotho to final independence.101

In the second pamphlet another explanation is given as to why Leabua Jonathan formed the BNP:

Chief Jonathan found it necessary to form his new Party, when the only existing organization in Lesotho, the Basutoland Congress Party was beginning to have alarming and constant contact with Red China and the Russian Communists.102

This pamphlet also mentions that the person who convinced Jonathan to enter politics was a famous liberal and PAC representative Patrick Duncan. Duncan was a South African Liberal Party member who worked as Judicial Commissioner in Basutoland during the 1950s. He reacted against the racial discrimination applied in the Civil Service then. Leabua Jonathan worked as his Assessor. Duncan later settled in the Orange Free State and edited the Liberal Party paper "The Contact". He favoured an anti-communist alternative for
an independent Lesotho and wrote much about the good qualities of chief Leabua Jonathan, "a born diplomat". The Contact was active in explaining to the South African progressive whites the ideological reasons for supporting the BNP led by chief Jonathan. Duncan left South Africa when the Liberal Party in the Republic was banned. (He became the representative of the PAC in Algiers until he died in 1967.)

Their version is supported by Bennett Khaketla, the General Secretary of the Marema-Tlou-Freedom Party. In his book on the 1970 coup d'état in Lesotho, Khaketla mentions three groups which were instrumental in forming the National Party (BNP):

a. Catholic members of the Conservative parties in Britain and Germany.

b. The Conference of Catholic bishops in Southern Africa (SABC). This met regularly and drew up policies of the churches in the region. The Bishop (later Archbishop) of Maseru was one of the participants. A Catholic Party formed in 1957 did not gain much support and the Southern African Bishops' Conference (SABC) decided to assist "the party of chief Jonathan" instead. A lawyer in Johannesburg formulated the party programme in line with the bishops' conference document.

c. The support of a few journalists in the Republic, particularly in the Liberal "Contact" and the still existing "Sunday Times". Without the support of about a thousand frustrated lower chiefs and their families it would have been difficult to build up a party strong enough to oppose the BCP. The other groups had to rely on these to oppose the BCP in the election.

The Catholic Church is very influential in Lesotho. It is dominated by the conservative order "Oblates of Mary Immaculate" (OMI). The OMI priests constitute a core group within the BNP also through individual financial sponsoring, through contacts with influential sponsors in South Africa and through their positions as authoritative speakers in the churches all over the country. The policy of the Pope through his Apostolic Pronouncement in Pretoria to Southern Africa has more recently been to reform the OMI from within.

It seems as if the formation of the policy of separate development or apartheid launched by H. F. Verwoerd was influenced by the possibility of a policy like that of the BNP. The BNP was active in explaining to people in Lesotho that friendly co-operation with the South African government and the large firms of South Africa could prove to be more economically rewarding than the policy of the BCP. BNP, in contrast to the BCP, argued that a separate Lesotho in economic interdependence with South Africa would be the final solution. The BCP argued instead that a restructuring of the South African society was the ultimate goal for people in Lesotho.

The statement by Verwoerd in 1963 was later to be followed by financial support to the BNP. The BNP leader visited Verwoerd before the elections in Lesotho in 1965. Their faces of smiling understanding were portrayed in mass media throughout the world as if to hail a new era in South African policy. The foreign policy of South Africa was from this date called "dialogue" and "detente" with black Africa.
It is interesting to compare the 1963 speech by Verwoerd with another speech made by his successor B. J. Vorster in 1974. Vorster said that South Africa's basic strategy would be the creation of a "United Nations of Southern Africa States". This would include not only the Transkei and other bantustans to be declared independent by South Africa, but also Namibia, Lesotho, Botswana, Swaziland, Rhodesia, Zambia, Mozambique and Angola. One result would be a South African Economic Community. Vorster's policy was favoured neither by the independent states, nor by the representatives of the liberation movements in South Africa and Namibia.

But what common political ideas could be held by the white South African Nationalist Party and the mainly black members of the National Party of Lesotho? If we leave out the racial perspective, there are similarities in the ideological images of these parties. Both stress the importance of family traditions and the philosophy that every individual has a right to be treated as a part of his or her own ethnic group. Both are conservative in the sense that they want to re-establish a political and social structure which existed in the past and to give the members of their party a superior position in society. Both regard economic take-off, even at great cost to people as the desired development strategy.

J. Kotsokoane, Minister of Education and Foreign Affairs in Lesotho, made this unexpected comparison in conversation and pointed to the cohesiveness of the members of the Broederbond, the "inner circle" of the South African Nationalist Party. He pointed out the "Sons of Moshoeshoe" and the "Oblates of Mary Immaculate" (OMI) as being corresponding groups within the BNP. All the groups mentioned are small and hold secret meetings, they have a well-defined member-oriented programme.

Support by Allied Interest Groups of Priests, Traders and Village Chiefs

The BNP claims to have support mainly among the poor peasants of Lesotho. The active members of the BNP are not peasants, however, but almost all member of established groups like traders, priests, teachers and chiefs. The former General Secretary of the BNP, who has been a Minister in Jonathan's government since 1965, C. D. Molapo, claimed in 1975 that:

The BNP organizes only those who succeed in life. ... Instead of articulating grievances like people do who have failed in life and like Congress Party members do.

The general character of the BAP organization is an election campaign machinery - functioning between elections mainly through allied pressure groups. It never aimed at becoming a mass organization, like the BCP was, with a large number of permanent groups and offices. It did not aim at covering most of the villages in Lesotho and the larger places of work in the Republic, which was BCP policy.

A result of the ongoing discussion on a change in the party structure was the appointment in February 1972 of Tom Mokotso (ex-
president of the Senate) and Justice Mofolo, both prominent members of the BNP, as leaders of a party commission. Other members of the same commission were P. Mabathoana, T. Kuoe and T. Molapo. The Mokotso/Mofolo Commission was appointed by the BNP party Executive. Alleged malpractices of the government, misappropriation of funds and gossip about Leabua Jonathan being out of touch with his own party were also to be taken up by the commission.

The Mokotso/Mofolo Commission recommended that the BNP Executive Committee should not be nominated by the Leader of the party but instead by the BNP Annual Conference. It also recommended that the Annual Conference should have a say in policy formation. It recommended a reshuffle of the Council of Ministers in order to avoid domination of the Council by the chiefs, as well as the re-introduction of the suspended 1966 constitution. The commission also felt that too much was being done for the relatives of the Prime Minister and too little for the common man.

In May 1972 a BNP conference was held. The recommendations of the Commission were tabled. On June 4, the Prime Minister announced that both Mofolo and Mokotso had been dismissed from the BNP together with ten other members of the party. No reasons were given and according to the BNP Constitution no reason was necessary either. Later in the same month the BNP candidate of the Maseru constituency, Dr K. T. Maphathe, resigned. He publicly announced that he had resigned from the BNP, because he was concerned about the repulsion of Mokotso and Mofolo.

In 1974 his brother Gabriel Manyeli, a former Catholic teacher and one of the signatories of the original BNP constitution, was also dismissed both from the government and the party. Several other prominent members of the BNP left the government. Peete Peete, Minister of Finance left in 1974 and Sekhunyana, Maseribane Deputy Prime Minister left in 1975. Former civil servants with education from Europe and North America succeeded them.

All the Ministers mentioned by name were subject to severe criticism particularly among BCP supporters in Maseru. Also the Mokotso/Mofolo commission recommended their dismissal. The Prime Minister therefore strengthened his position through the reshuffle. At the same time he took the risk of becoming less popular within his own party.

There have been no reports of an active opposition on a broad basis from the expelled BNP members. They do not seem to have organized an oppositional following after the return to their villages. The demand they have all put forward has been a demand for more room for discussion. It is clear that they have also expressed opinions on changes in other policy matters, particularly on agricultural policy, for example in connection with conclusions from the Leribe and Thaba Bosiu agricultural projects. Most of the mentioned individuals who have been expelled or who have left the BNP during
recent years, had been active in the Basutoland Progressive Association (BPA) mentioned earlier. The policy of the BPA centred around a demand for commoners to take part in the public debate. This policy became obsolete during the 1950s, when this demand was met by the colonial government. After the 1970 coup d’état in opposition to the restrictions introduced by government, the demand for public discussion was revived by the former members of the BPA, who had found their place within the BNP. But this group was silenced, at least temporarily, after the expulsion of its most prominent members.

The BPA was formed in 1907. It assembled educated Basotho at the mission stations and colonial camps. Most of the members came from Paris Evangelical Mission schools. The BPA referred to liberal ideas of self-government for the educated and was less militant than the rural-based Lekhotla-la-Bafo. During the period 1930 to 1940, the BPA had a following of about 3,000 to 4,000. From its earliest days its members sat on the National Council (NC). The NC was an advisory council to the colonial government. It was appointed by the Paramount Chief and dominated by chiefs until 1948. Few of the followers of the BPA were religious but they opposed the policy of the Paramount Chief Griffith. During his time as Paramount Chief (1913–1939) Griffith favoured the Catholic Church, particularly its schools, at the expense of all other denominations.118

Although the BNP was partly formed and sponsored by individual Catholic priests and teachers, it was careful to state that it appealed to members of all denominations. In the party organ Nketu, famous Protestants active earlier within the BPA were mentioned by name as good BNP members.119

The BNP grew out of several different interest groups concerned with opposition to the increasingly militant BCP. Groups like "The Sons of Moshoeshoe", the Traders’ Organization, the village chiefs, the Party Youth organization and Catholic Teachers groups are known to have exercised influence on the Prime Minister and BNP leader. The method usually applied, when presenting demands to the Prime Minister is called "interviews". These "interviews" are a general method to influence government policy. Delegations representing loosely organized interest groups attempt to put pressure on the government to take or prevent decisions.120

Although there is this sponsorship by Catholic priests, and Catholic groups are believed to have the Prime Minister’s ear, there is no definite tendency for constituencies dominated by Catholics to vote for the BNP. Nor do Protestant-dominated constituencies vote generally against the BNP. There seems rather to be a tendency to vote against the BNP in constituencies where the Catholic mission dominated traditionally. Whereas there was the opposite tendency in constituencies where the Protestant churches dominated traditionally. The Catholic Church affiliation is however visible at top level. Almost all BNP members in Parliament were Catholic teachers, whereas many BCP members in Parliament were Protestants.

All except one of the groups sponsoring the BNP, the village chiefs, are interested in a continuation of the social order prevailing at independence. These village chiefs want a return to the
Diagram 3.B. Background of the BNP Leader Leabua Jonathan

From 1965 Prime Minister (until 1975 also head of six other Ministries) Commander-in-Chief of the Police and Para-Military Police Forces

Honorary Doctor of the University of Toronto, Canada from 1975

Third son of a junior wife of Jonathan the son of Molapo (fourth son of Moshoeshoe). The senior sons are chiefs in Leribe and Berea districts

Village chief by appointment

Advisor to the Regent 1952–1960 at Matsieng

Assessor to Patrick Duncan (Judicial Commissioner in Basutoland and Liberal Party and PAC member) 1953–1955

Member of the former National Council 1955–1960

Former member of the BAC and member of the Constitution Committee 1955–1958

Leabua Jonathan

Joined the Catholic Church in 1958, when an advisor to the Regent at Matsieng

Six years at a Protestant church school as a child

Former induna (spokesman of the employer in relation to workers) at a South African mine, 1933–1936
social order existing in the decade before the second world war. They were necessary allies to the other interest groups sponsoring the BNP, who depend on village support to win elections.

Important groups behind the BNP are the white and Indian traders. During the time of the colonial government, the white traders had a monopoly on all the large-scale trading. Purchase of wool, mohair, maize and wheat as well as the sale of groceries was reserved for white traders. The competition from the BCP-sponsored co-operatives was the first competition experienced by these white traders. The traders were also threatened by the BCP programme which included a demand to nationalize private trade. This caused them to give their support to the oppositional BNP. British civil servants and aid personnel made up another strategic group supporting the BNP in government.

A new group with increasing importance were the educated government employees. These had neither grown up within the BCP youth cadres, nor had they loyalties to the chiefs. Most of them, although indigenous, were educated abroad and had become aware of the broad sympathy for the ANC. As government employees they had to sign an agreement with the BNP government, but rather influenced the BNP in new directions than let themselves be influenced.

The old anti-communists within the BNP and the Catholic teachers and priests were thus seriously challenged. The government implemented educational policies and family planning with assistance from aid donors against the will of its old core groups. It also slowly changed its foreign policy in opposition to the staunch anti-communists. C. D. Molapo, Minister of Foreign Affairs and uncle to Jonathan, was the most influential of the anti-communists within the BNP.

Molapo left in protest to new diplomatic relations established with several Communist countries in 1982, and formed a new party to the right of the BNP. Thus the BNP in Government became more radical and openly stated its support for the ANC and against the South African government. This meant a complete turn compared to the earlier policy, which was openly pro-South Africa.

A similar split had taken place earlier within the BCP in exile, but with the opposite result. BCP’s General Secretary Koenyama Chakela and his followers broke with their chairman Mokhehle in 1976. Chakela negotiated with the Jonathan regime via the Lesotho Embassy in Mozambique. It had become known to Chakela that Mokhehle had contacts with the South African government. Mokhehle was isolated and frustrated in exile in Lusaka, because of his old ANC-anti-pathy. He agreed to receive support for arming a guerilla to fight the regime in Lesotho. The Lesotho Liberation Army, LLA, was based in bantustans, neighbouring to Lesotho. The old BCP-leader and a few hundred of his followers had become an instrument of the South African destabilization policy, practiced in relation to Mozambique, Zimbabwe and Angola.

Chakela chose the less evil and started peaceful talks with the old enemy Jonathan. He became one of several media of communication with the ANC and Chakela. Through his education in the Soviet Union (Kiev) and his trade union contacts in South Africa, he saw
a possibility for Lesotho to get international backing, if the Lesotho government cooperated with the ANC and the pro-ANC followers of the BCP. Chakela and his followers were given asylum and returned to Lesotho in 1980. Only about one year later, in August 1981, Chakela was, however, shot dead on his way home in a mini-bus by an unknown passenger. Several similar cases of murders occurred during 1981, ending with a bloody attack in December, by South African security forces who shot refugees during nighttime in the middle of Maseru.

This attack and the international support for the new anti-South African and pro-ANC policy of the Lesotho government probably gave the BNP-government new supporters from the old BCP-rank and file. This was at least the interpretation given by Jonathan and his Minister of Security and Information, Desmond Sixlise, when general elections were time and again declared and later cancelled. A serious attempt to hold general elections in September 1985 were later declared unnessesary. No opposition party was ready to present 500 voters and 1,000 Maluti (Rand) for each nominated candidate within the short period of time required. Thus the Jonathan regime gained new supporters and lost old ones and managed to survive without general elections, which would be a risky undertaking in any case with the increasingly polarized South African society surrounding Lesotho.

Conclusions

The extreme dependence situation of Lesotho has certainly not resulted in a lack of political work. In spite of, or maybe because of, difficulties such as poverty, migration and government repression, political activity was intensive during the period under study. There was, a decrease in the power base of the government. This was expressed in the coup d'état of 1970, a few years after independence. Before independence, however, and the first years after, there was probably rather an increase in the power base of the government as a result of the colonial government handing over to a popularly elected Parliament and a government chosen by Parliament. After the coup the power base is less clear. We can probably characterize the situation as an unstable one, where the government gets support from different groups in different questions, but generally on a narrow elite basis.

The basic political cleavage in Lesotho at independence corresponded closely to the cleavage existing during colonial times. This cleavage was basically between the heavily exploited social strata - the migrant industrial and mine workers and their dependants - on the one hand and, on the other those deriving benefit from the order prevailing during colonialism - chiefs, their advisors, traders, missionaries and the direct dependants on these groups. The image of the BCP was a party of trade union activists and radicals articulating the grievances of the exploited, whereas the image of the BNP was a party aiming at peaceful resolution of
conflict for harmony between different social strata and for the continuation of the existing order, in which churches, traders and chiefs had a say in the promulgation of values.

The nationwide support of both the BNP and the BCP led to conflicts in almost every village. This illustrates that these parties were not limited to particular regions like the MFP, the CPL or the UDP. Whereas the different religious denominations were dominating each in a separate region, the parties did not follow the same pattern. The original affiliation of the BCP and BNP with the Protestant and Catholic churches respectively, existed at top level and it did not show as clearly in the voting behaviour at the 1965 and 1970 elections.

Each party appealed mainly to those groups which clearly supported one of the parties. Groups in the middle tended to be divided between the two parties according to economic, religious and political lines. Farmers and teachers are such groups in the middle. They tended to be split on extremist lines.

The people who identify themselves as mainly farmers, although peasants, are probably very few as we have shown. There are, however, some commercial farmers and some part-time subsistence farmers. Most of the farmers participate in share-cropping relations. The reason for taking a political line among these peasants as well as among the migrant workers seems to have more to do with education and social relations - with the type of experience of share-cropping and migrant work - than with the kind of occupation. There are examples of peasants supporting both BNP and BCP. Those depending economically on chiefs are believed to support the BNP. Teachers make up another stratum divided along party lines. Their stated political opinions often follow a religious background. After the coup d'état there has, however, been a tendency for the Catholic priests to be critical towards the BNP government. In 1973 part of salaries to qualified teachers was taken over by the government in spite of protests from the Catholic Church. A critical statement made by the Southern African Bishops Conference towards the Lesotho government strengthened the critics, but did not change the decision by government to increase its influence over the schools also through other methods.

This change might become one reason for a change in the earlier stable cleavage between the two largest parties. Otherwise there has been a tendency to stress the conflict through the alliances sought abroad by the parties. Sympathetic organizations tend to strengthen the conflict. The BNP allies with anti-communist organizations and generally conservative groups, whereas the BCP allies with socialist-oriented organizations and trade unions. The Organization of African Unity, OAU, has, however, attempted to function as a mediator between the two opposing parties in Lesotho, for example during 1975, when an attempt was made to make the BNP and the BCP form an alliance, although without success.

What potential did the two parties have to forward their party policies? The BNP leaders had access to government and, therefore, were in a better position to work for its policy. Since it had a weak party structure and there is little discussion within the
party there were great difficulties in presenting a total strategy. The party strategy rests on articulated conservative ideas, but the support for concrete political actions often comes from one or more of the different small groups supporting the BNP. Nobody, not even the BNP leader, argued in November 1975 that the BNP was still existing as a party organization. The government policy of reconciliation has resulted in a weakening of the BNP. Also the BNP had internal conflicts between a militant minority, which after 1975 decided to take arms; under Mokhele the Lesotho Liberation Army (LLA) was formed; whereas a majority trusted Chakela and his non-violent methods of dialogue with Jonathan and in partnership with the ANC.

The very repression exercised by the government against the BCP has made many people compare the Lesotho government with the South African government. The BCP was seen as the main alternative to the oppressive policy by these people. Those who were critical of the South African government became just as critical towards the Lesotho government. But restrictions and oppression against the members of the BCP had hit the party organization hard. The BCP gained access to government mainly after 1980, although even during the 1970s there have been BCP supporters among high-ranking civil servants. The transformation of the BCP to an underground party had been implemented gradually. The BCP itself argued that it had been able to forward its policy even from prison and underground. There are many examples of bargaining between the government and imprisoned leaders of the BCP. There is also evidence of secret meetings with underground BCP members. BCP policies have later been imple-
mented by the government. The government emphatically denies that, for example, the introduction in 1975 of the Deferred Pay scheme had in any way been influenced by BCP pressure, although, this had been a demand of the BCP during the entire 1960s, when Parliamentary debate had been allowed. Nationalization of wool and mohair trade is another old demand by the BCP which was implemented in 1973–1974. Allowing refugees from South Africa, Namibia and Rhodesia (before independence), is also an example of an old demand met by the Lesotho government.

This government strategy of meeting BCP demands has, however, not been without problems for the BCP itself as a party. The BCP leaders had the ideal that popular participation in policy formation is necessary. This made the party vulnerable to restrictions on meetings and discussion. The party policy was that once aims had been agreed upon, they should be stuck to until met. As long as the government did not implement BCP ideas the old aims could be repeated. But problems arose, when the BCP demands were met by the BNP government at the same time as there were restrictions on popular participation in discussions of new demands.

We can distinguish three different periods during 1950–1984 with regard to the type of political participation:

a) The pre-parliamentary period: During the 1950s there was a rapid increase in the number of people who participated in the organization of political action. The two large parties which still exist in Lesotho emerged during this time. Both struggled to take over the government from the colonial power.

b) The parliamentary period: From 1960 to 1970 there was a national forum for political debate. The Village Committees and District Councils played an active role during the early 1960s at the same time as the Parliament was increasingly a common forum for debate. At all levels there was an increasing conflict between the more conservative BNP and the more radical BCP. At the same time both parties increased their following. The BCP had already during the 1950s built up a mass organization, whereas the BNP built its strength mainly on contacts with established groups. The difference in party organization was an expression of the difference in ideology. The deep cleavage between the parties was also expressed in their different priorities in relation to the question of independence. The BCP argued that independence within the framework of the South African government's Bantustan policy was contrary to the ideology of the BCP and against the interests of the groups supporting this party. But the BNP was anxious to gain independence even if this meant the guardianship of the South African government. It was in the interest of the groups supporting the BNP to keep the prevailing order and not make rapid changes in the political and socio-economic situation of Lesotho.

c) The post-parliamentary period: After the coup d'État Leabua Jonathan attempted to abolish all parties. This did not succeed in spite of violent repression. The coup-government was not powerful enough to abolish either its own party or the opposition. A reorganization of party work started. In 1973 Jonathan saw himself forced to formally reintroduce an Interim–Parliament. This was
appointed by the government and did not manage to prevent political meetings outside the Parliament. A boom in political organization started instead and was met by police repression against the BCP and expulsion of party members within the BNP. After 1974, there was no longer an open climate of discussion. Political conflict was neither articulated in Parliament nor in the mass media. Trade union strikes, demonstrations and boycotts which were frequent already during the earlier periods now became the main method for political pressure. Several times Jonathan found it necessary to declare coming elections, which were however postponed.

There was a demand from migrant families for some kind of flexible organization giving them both a sense of belonging and an ideological alternative to the religious and other ideas provided by the establishment. Before the South African liberation movements were banned in South Africa in 1960, they also organized citizens from Basutoland. After 1960, the BCP through the BFL was the main organization covering the geographical area over which the migrants moved. This made the BCP different from the BNP, as the latter organization had no ambition to organize the migrant workers in South Africa. When the BCP was banned in Lesotho, (it was never officially allowed in South Africa) the trade union organization affiliated to the BCP, the Basutoland Federation of Labour (BFL), became a channel of communication for the migrants, their families and friends.
4 State Institutions

The character of state institutions is crucial for development. In Lesotho, the parties struggle to control the state institutions in order to control development policies. But, how are the state institutions organized? What laws govern them? Does the government control its own machinery? Have the popular demands for increased control been successful? In this chapter a closer look is taken at how the laws and state institutions have changed as a result of independence.

The Law-making System and the Laws

The position of Basutoland as a separate colony under British rule linked it directly to London in some respects. This is seen for example in the constitutional development after 1959. In other respects Basutoland was part of South Africa. This is seen for example in the practice of general laws.

The first Constitution of Basutoland was drawn up in 1959. For the first time, half of the existing National Council was elected - although indirectly - via District Councils. The BCP obtained the majority of the votes as I have mentioned earlier, but 40 out of the 80 members of the National Council were chiefs, representatives of business, and church interests as well as the colonial administration. An Executive Council was divided in the same way. Already in 1964 a committee was appointed with the task to work out a new Constitution, and in 1962 a large Constitutional Conference was held.

This Conference instituted a British type Parliament to be directly and popularly elected. The Paramount Chief was to become a constitutional monarchy. The general election in 1965 gave the conservative BNP a victory in the House of Commons. The election results were, however, much disputed. Independence was granted on 4 October 1966, in spite of protests against the election procedure from the defeated BCP and MFP but in accordance with the wish of the BNP and the colonial power.

The design of the Constitution was discussed at meetings held all over the country with the Constitution Reform Commission. Thousands of individuals articulated their opinions during these meetings and many of the speeches were recorded. The importance of popular participation at the local level was often stressed in these speeches.
Popular participation in the control of the country's resources through popular participation in decision-making units at different levels of the political structure was explicitly defined as essential.

But the Constitution was based on the British model of a legislative and Public Administration, loosely adding elements of chief-tainship and a system of Village Committees and District Councils. Popularly elected committees were to advise a chief at village level. At village level the chief had the final decision-making power, although, at the national level this was attributed to the Parliament. The Paramount Chief had no decision-making authority.

The practiced laws in Lesotho could be characterized as a mixture of Basotho customary law, British customary law and South African written "Roman-Dutch" law. The Basotho laws include oral traditional law as well as a collection of written laws called the Laws of Lerotholi. The latter were first written down in 1883. The most important of these were the land law, stating that no private ownership of land was possible, and the trade law, stating that only traders following the rules set up by the Paramount Chief and the colonial government were allowed to carry on business in Basutoland. The strict application of these rules resulted in a total absence of white farmers and the monopoly of a few traders controlling the market in Basutoland.

The British-South African law applied is the type of law that existed in the Cape Province in the colonial period before the 1880s. This was a mixture of British and Roman-Dutch law. The laws have changed since then, and are applied in Lesotho in their changed form. Few records have been kept from the Basotho courts and the judges often have to go back to the records of courts in South Africa in order to find cases of precedence.

According to the "Independence Order" of 1966 - later abolished - laws in conflict with the Constitution or Basotho customs should not be applied in Lesotho. All other laws should continue to be applied until they are changed by Parliament. A careful study by Palmer and Poulter of the legal system in Lesotho after independence shows that in practice law cases of South African and British courts are often quoted and applied in Lesotho. The racial segregation laws of South Africa are not applied, not even after the coup d'état of 1970, when the Constitution and the Independence Order were abolished.6

But after 1970 there have been no formal restrictions preventing South African laws from being applied in Lesotho. The coup government specified alternative emergency regulations in 1970. But unlike the Independence Order it did not specify that the South African laws were not to be applied in Lesotho. But there was not only a continuation of application of South African laws, new laws were drafted by a group of law experts sponsored by the South African Government. These experts made up Lesotho's Law Office. In 1976, after ten years of work, the laws of Lesotho also included modern South African laws.

Since 1966 jurisprudence can be studied either at the University of Roma in Lesotho or in Great Britain. Practical legal skill in
Roman-Dutch law was traditionally learnt either in South Africa or through the leadership within Lesotho by law experts sponsored by the South African government. These South African lawyers and judges were considered experts on the laws as practiced in Lesotho. During the first period after independence not only the personnel of the Law Office were South Africans, sponsored by the South African government, but also the Chief Justice of the High Court, the Senior Public Prosecutor and the Appeal Court.

The dominance of South African law experts and written South African laws increased during the first decade after independence, but already before that the British colonial power worked to integrate the practised laws in Basutoland with those of South Africa.

After the Parliament was dissolved in 1970 there was first little discussion on the general problem caused by the introduction and application of foreign laws in Lesotho. The Interim Parliament of 1973 has, however, raised the question of indigenization of legal personnel within the Law Office and the Appeal Court. Lesotho's Minister of Justice 1973–1975, C. D. Molapo (and Minister of Foreign Affairs until 1983), has a South African law degree. He answered my question about what his government thought (in 1975) of the way South African laws were applied in Lesotho:

In practice we do not apply the race discrimination laws of South Africa. I, however, consider the South African legal system as well as its lawyers among the best in the world.

But what was the content of the new laws made after independence? What categories of laws were there? Before 1959, the High Commissioner and the Colonial Office in London applied a policy of non-interference with the complex system of law practiced in Basutoland. Few laws were officially promulgated for Basutoland after the end of the 19th century. But after independence there was hectic activity both to write down the commonly practiced laws and to make new laws.

The Law Office drafted laws concerning two areas in particular: business and the prevention of public violence: Reforms of the land laws allowed so-called "institutional holdings" for tourism and industry. (See table 1, Chapter 2.)

The following laws are examples given by the Lesotho National Development Corporation (a parastatal body started and developed by businessmen from the Rupert concern in South Africa). This was established after a decision by the Lesotho government to encourage foreign capital investment in Lesotho:

1. The Industrial Licensing Act
2. The Pioneer Industries Encouragement Bill
3. The Casino Act
4. The Companies Act
5. The Electricity Corporations Act
6. The Deeds Registration Act
7. The Mining Concessions Act
8. The Lesotho National Development Corporation Act
This legislation to actively assist foreign investment was apparently compatible with the interests of the South African government, which provided development assistance particularly in the form of experts on company law. During the colonial period, only British - and not very much - capital was invested. Earlier, industrial development was inhibited. The laws, which prevented private ownership of land were kept. On limited areas of government land investments from Europe and the United States were allowed, however.

A general interest of the South African government is to introduce the same laws in the enclave as in South Africa itself. Some of the South African laws made during the 1960s have, however, been published in Lesotho only after the Constitution was abolished in 1970. The South African Terrorism Act (1967) and the Suppression of Communism Act (1950) were introduced in Lesotho in 1970. The Internal Security Act (1965), was introduced in 1974 in an even more restrictive version than applied in South Africa. In 1976, this version was, however, enforced also in the Republic.

In conclusion, we have seen that great changes were made in the law making system during the years before and after independence. A legislature with formal powers to make new laws in accordance with views held by the people of Lesotho was introduced gradually throughout the period 1959-1965. Restrictions on the application of South African law in Lesotho were introduced in 1966. Both these changes in the law making capacity were abolished in 1970.

The British-styled constitution had become part of the political heritage of the Basotho and not only through the educational system. The short period of constitutional rule between 1959 and 1970 was considered a positive experience by many people in Lesotho, although criticism was directed against the lack of popular participation allowed by it. There was active opposition against the abolition of the Constitution after the coup in 1970. Both the MFP and the BCP demanded immediate reinstatement of the constitution.

Public Administration

The activity of the small South African group in the Law Office had no parallel in the rest of the public administration. In the following investigation of the changing character of the organization of the other parts of public administration, I shall deal with cleavages within the administration and take a closer look at recruitment and growth in state employment. There have been many organizational changes in the state constitutions and these have taken place both before and after independence. But, what is the political significance of these changes?
Competition between Three Institutional Set-Ups

Before independence there were, in essence, three different institutional set-ups for public administration, each with its own political background:

1. **The Colonial Administration in Maseru.** This grew out of the Resident Commissioner’s office. It included technical departments like those of Health, Education, Agriculture and Works.

2. At the national level there were also the **Offices of the Paramount Chief** with headquarters at Matsieng. Since 1946 a Department of Finance has been located at Matsieng. The Paramount Chief was formally the highest authority of the chieftainship with representatives in each of the more than one hundred areas into which the country was divided for the purpose of land-distribution control. The Paramount Chief was advisor to the Resident Commissioner and had himself four advisors to assist in the linking of the people of Basutoland with the colonial authority.\(^{12}\)

3. **Local Government.** After the second world war a popular movement grew rapidly, demanding participation for the people in the decision-making of government and administration. Groups of villagers took over the decision-making and administration of land from the village chiefs already during the early 1950s. It is estimated that, at independence in 1966, about half of the approximately 6,000 villages in Lesotho had Village Committees, which were popularly elected and actually controlled land matters. In the rest of the villages the chief still had the final say but under pressure of a tacit understanding that his responsibility could be taken over by a Village Committee if he lost the confidence of the villagers or the government.

A transfer of responsibility from chiefs and central colonial government was implemented. This was largely a result of the active participation by large groups of people at district and village levels. In 1946, District Advisory Boards were appointed by the British District Commissioners in the nine districts of the colony. The District Commissioner headed District Offices responsible for tax collection. The mobilization of the BCP was implemented partly through the involvement of villagers in the administration of their own affairs via Village Committees, as we saw in chapter 3. To meet the popular demands, the colonial government allowed popular elections at village and district levels from 1960 onwards.\(^{13}\) After 1960, the Boards were succeeded by District Councils popularly elected to 50 percent, which in turn elected half of the National Council. The District Councils gained new responsibilities. They became partly responsible for social services, economic development and some land questions.

The relation between the different institutional set-ups was one of increasing competition and decreasing contacts. The election campaigns of 1960 and 1965 aggravated the conflict between them. The distribution of administration and control between the national and local levels was an issue of political party conflict.

The BNP, which based its support mainly on those who had profited from colonial rule before the popular reforms, supported the
first set-up. The public administration in the capital was to be kept. All institutions at village and district levels constraining chiefs, priests, and traders were criticized.

The BCP favoured a continued decentralization. The District Councils and Village Committees should be involved in decision-making and administration—this was a strategic question for the BCP. The party based its strength on the control and participation in decision-making at these levels. Wages deferred by the migrant workers were administrated by the BCP-dominated District Councils and invested in development projects in agriculture and small-scale industry. The BCP therefore, favoured the third institutional set-up. The MFP, however, favoured the second, since it included a central position for the Paramount Chief.

Coordination of these different set-ups of government became difficult. A situation developed where the different parties favoured only one of them. In 1965, however, the BCP and the MFP agreed on a common negative attitude to the selection of the first set-up, favoured by an alliance of the BNP and the colonial government. The BCP and the MFP referred critically to its foreign and colonial background. They also criticized the domination of British civil servants and their lack of contact with people in Lesotho. The geographical location of the colonial headquarters was also condemned. This oppositional alliance was formed after the BNP won the election in 1965. It was very active and went to the extent of demanding a delay of granting independence, with reference to the lack of broadly-based state institutions.

The political conflict between the BNP government alliance and the opposition concerning institutional set-ups also included personally based conflicts between the BNP and the MFP. Leabua Jonathan had three reasons to oppose the choice of the second institutional set-up mentioned above. Firstly, he saw the keeping of the offices at Matsieng as an unnecessary strengthening of the position of the Paramount Chief. It was headed by a person who was unacceptable to the former regent Mantsebo to whom Jonathan had old personal loyalties. Secondly, the lower chiefs—who were powerful within this party—were anxious to regain their importance at the expense of the high-ranking chiefs. Thirdly, in his capacity of Prime Minister he had no interest in increasing the competition from the Paramount Chief.

In 1965, the BNP government, which was the first generally elected government in Lesotho, agreed with the British representatives on a policy of gradual abolition of the second and third institutional set-ups described above, concentrating most of the administrative decision-making to the former colonial civil service in Maseru. This was done in spite of the protests of the MFP and the BCP.

**Government in the Countryside after 1968**

In April 1968 the whole District Council system and the Department of Finance in Matsieng were abolished. All financial powers were concentrated in Maseru. Tax collection had been the responsibility
of the Department of Finance in Matsieng, which had been assisted since 1960 by the District offices. In 1968, a Ministry of Finance, mainly with foreign civil servants, was established in the former buildings of the Resident Commissioner.17

Hundreds of tax collectors, agricultural extension officers, health officers, statistical surveyors and teachers were dismissed after the coup d'etat in 1970. The work of these officers was partly undertaken by foreign aid personnel, by village chiefs and by the police. But in most cases the posts remained vacant. Many of the dismissed lower civil servants were returned to their home villages under "village arrest". Those who had savings started to build houses. In many cases they invested in farming.

The system of local government had functioned as a school for civil servants and as an arena for political debate. According to the defenders of the system, it had successfully mobilized people and resources in the countryside.18 According to the government and its advisors, the village and district committees were a danger to law and order as well as to the efficiency of the government.19 However, the expected law and order did not follow - on the contrary. The existing cleavage between the parties increased. It strengthened the existing conflict between the capital and the countryside. Violent conflicts occurred and dismissed state employees and local government participants spread disappointment and suspicious attitudes towards Maseru officials. In the parliamentary debate, prior to the coup, the BCP stated that independence had not meant a real take-over of the government by the people of Lesotho.

During the period 1968-1973, there was neither local government nor any permanent representation of public administration in the countryside, apart from the police stations and non-salaried village chiefs. The only exception was that village committees in many areas (possibly half of the villages) continued their meetings without reference to the central government.

Decisions had been taken by the government to introduce two new types of authorities in the villages, but were not generally implemented: 1) development committees 2) advisory land distribution committees. Both of these were to be appointed by the chief.

1. The system of village development committees was described in the First Five Year Plan of 1970. The Plan stressed the necessity of contacts at village level to increase the efficiency and implementation capacity of the development projects decided at national level. Assistant Ministers in the Prime Minister's office took over the responsibility for law and order in the Districts. In 1970 these became the chairmen of the newly established Development Committees, which were intended to have the responsibility for implementing development projects. The system was, however, not introduced universally, but only in areas where foreign aid projects operated. These are scattered mainly over the north-western part of the country and loosely connected with the mentioned Assistant Ministers. Their main responsibility was to co-ordinate the projects of different technical Ministries. However, both the Assistant Ministers, and the
Central Planning Office had weak executive positions, and implementation of development schemes was left to the Ministries represented by foreign field personnel and chiefs in the countryside.

2. The system of advisory land distribution committees was decided by the government in 1973 and by the Interim Parliament in 1974, but again it was not universally introduced. This system was criticized by the existing popularly elected Village Committees, already advising on land distribution, and by those chiefs who still had the responsibility of allocating land in their areas.

At the BNP caucus meeting in July 1975, which consisted of the Supreme Council and some trusted members, the question of village committees and land distribution was discussed. There was criticism of two kinds against the government’s decision to accept the committees in the villages: a) against the interference of commoners into land distribution matters b) against the election of committee members among BNP supporters on the basis that it was difficult to find people to fill the posts in some areas.

The following statement by one of the chiefs present at the caucus meeting is an illustration of the second problem, mentioned above:

In one of the villages in my area of responsibility there are as far as I know only three supporters of the BNP. I have appointed them all, although, it is a bit strange to appoint exactly those. People do not like it. But how should I fill the rest of the vacant posts in the committee of my village?

The offices of foreign aid projects in the countryside of Lesotho became new centres dominating the surrounding villages. In the large agriculture projects of Thaba Bosiu and Leribe, for example, there seems to be no differentiation between the following five decision-making units: a) the committee appointed by the chief to advise on distribution of land, b) the committee to co-ordinate development, c) the committee appointed by the chief to represent villagers in the aid project, d) the district board and e) the board of the development aid project headquarters. They are all believed to be the same. The same people take part in all of these committees. The resources controlled by the committee at the project offices are used by the committees at village and district levels appointed by the chief. In the rest of the villages in the district, the older system of Village Committees still exists, but without resources. Not only does this make it difficult for the villagers to distinguish between the different kinds of committees, but new groups have taken over responsibilities from the committees in which the villagers themselves participated.

New Roles for the Chiefs

After winning the general election in 1965, the BNP, partly based on ex-chiefs, demanded the reintroduction of the positions that these had held earlier. After 1968, the government found itself dependent on the village chiefs and police for information from
the rural areas on law and order. This strengthened the village chiefs in their positions as a link between the government and the rural areas.

There is, however, a split within the chieftainship hierarchy. The chieftainship has been "beheaded", since the Paramount Chief was divested of formal powers. The 22 Principal Chiefs are split in two factions, according to political party lines, Sixteen favour the King (and the MFP) and six favour the Prime Minister (and the BNP).

According to election results in 1970 the higher chiefs - who dominated the indigenous representation at the national level, particularly during the last two decades of colonial rule but also in the Interim Parliament of 1974 - have almost no popular support. The lower chiefs could be said to have gained in relative importance within the chieftainship hierarchy. But they have not succeeded in regaining their former powers based on land allocation, since the income of the villagers is based less on land today. Another reason for the reduction of their power is that Village Committees, ministries, foreign aid projects and para-statal bodies now intervene frequently and have the final say. Today a foreign aid expert of a state employee has the responsibility for these community affairs, although the chiefs should still be formally informed before a decision is made.

In 1975 the Prime Minister, Leabua Jonathan, defined the roles of the present chiefs in the following manner:

I would say that the chiefs are not as important any more... But the institution of chieftainship is an important arm of government. It is responsible for peace in the rural areas. We have a very small police force 'and it cannot cope with law and order. The chiefs work on behalf of government. To keep order is a function for which the chiefs are paid. If a chief does not fulfil this function he is dismissed.23

Asked how the chiefs are paid, the Prime Minister answered that most chiefs were paid "on traditional lines". They had more land than others and could until recently sell reeds for roofing and wood for fire.

It is unclear how the chiefs are recruited today. According to the Prime Minister, they were and still are the heads of each group of related families, and every larger village has a chief, "a chief is a chief by the right of birth".24 The government, however, only accepts chiefs if they follow its policy. A chief is therefore chosen among related candidates on mainly political grounds, and can be dismissed also on the same grounds. Although most of their original powers have been lost some village chiefs have increased their influence for three reasons: (1) The abolition of local government and the Paramount Chiefs offices in 1968. (2) Their involvement in the winning BNP after 1965. (3) The development budget for selected areas was increased via aid projects which needed a contact in the rural area that was trusted by the government.
Their new role as a linkage in the flow of development aid resources in the countryside and as the only universally functioning government representation beside the police has given the chiefs a potentially important position. They might therefore emerge as a new kind of elite similar to the new kind of chiefs in the so-called black states declared sovereign by South Africa, the "Bantu-stans".

State Employees

To analyze the changes that have taken place in the state institutions during the years before and after independence, it is important to study the recruitment to these institutions of individuals and groupings. The background of the state employees is particularly important during a period when there is a general uncertainty about what laws and regulations to apply.

In the decades before 1950, the Basotho were recruited to lower posts of the civil service. The presence of black people in the lower categories of civil service did not differ from the situation in the Republic of South Africa. From the mid-50s onwards educated Basotho in lower posts of the civil service had increasing success in their demand for access to posts formerly reserved for British colonial civil servants. The demand was loud and well articulated in newly established magazines published both in English and Sesotho. At the same time as censorship was applied and the writers were being discriminated against, a gradual breakthrough by Basotho into the higher posts of the civil service was allowed. This had no parallel in the Republic.

Slow Growth of Employment

In the Republic of South Africa there was direct discrimination against black people. Increased security control directed particularly against black activists in the Republic resulted in an influx to Basutoland of politically active black people. Most of those who fled to Basutoland already had a knowledge of Sesotho. Some of them were citizens of Basutoland. Most of them were people who would under ordinary circumstances have emigrated to the Republic. A wave of organizational work took place, partly led by these "returners". Well-organized strikes involved thousands of employees in Basutoland. An important demand was non-discrimination in recruitment to government employment. This strengthened the demand for access to the higher Civil Service posts for black in general, including the Basotho.

At independence in 1966 only about 300 posts out of about 6,000 were held by foreigners in the Lesotho Civil Service, i.e. about 5 per cent. Most of these were higher civil servants,
Table 4.1. *Number of State Employees in 1962, 1971 and 1984*

<table>
<thead>
<tr>
<th>Year</th>
<th>Absolute figures</th>
<th>Change percent</th>
<th>Percent of internal recorded employment</th>
<th>Employment in absolute figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>5,860</td>
<td>40</td>
<td>40</td>
<td>14,744</td>
</tr>
<tr>
<td>1971</td>
<td>7,637</td>
<td>30</td>
<td>40</td>
<td>19,087</td>
</tr>
<tr>
<td>est. 1984*</td>
<td>21,000</td>
<td>358</td>
<td>39*</td>
<td>54,000*</td>
</tr>
</tbody>
</table>

*) estimated domestic employment.

In spite of a rapid growth of the state budget and definite changes in the structure of institutional growth the increase in the total number of government employees was only an average of 3 per cent per year during the period 1962-1971. The total number of state employees was 5,860 in 1962. This increased by 200 posts yearly, reaching 7,637 in 1971. The British grants to meet current expenditure were given on condition that growth in the number employed by the state should not exceed 3 per cent a year. The reason for this condition being that the government of Lesotho was already employing 40 per cent of the economically active population which was considered too great a proportion of the labour force. Self-sustained economic growth was believed to be difficult to establish unless the proportion of state-employed people was reduced.

In table 1 above we can see that internal employment in 1962 was only 14,744. Since about 150,000 persons were recorded as migrant workers the same year, this means that only 10 per cent of the total recorded employment was within the country and government employment only 4 per cent. In 1971, the proportion of state employment in relation to internal employment was still 40 per cent. Internal employment in that year was 19,887. This estimate of total internal employment should be regarded with suspicion - particularly when it changes - since conditional aid might well have had effects on statistical recordings. Figures for state employment are probably more accurate since records of wages are kept.

A study of the distribution of the approximately 2,000 new posts over the period 1962-1971 reflects the general pattern of change in the priority given to certain state institutions:

1. Of the yearly increase of about 200 jobs on the average, 120 were for policemen. The para-military police received the greatest proportion of these police jobs.

2. A few posts were for higher Civil Servants in the Office for Central Planning and Development, which dealt with foreign aid. Many of the posts in this new part of the government were filled with foreign technical assistant personnel.

3. The Ministry of Agriculture grew even larger. Many of the higher posts in this ministry were occupied by foreign aid personnel.
4. A state-controlled radio was set up in 1965 and employed a handful of people under the leadership of foreign experts. 34

5. A small Foreign Ministry was established at independence with about 10-15 posts under the responsibility of the Prime Minister. Not until 1974 was a separate Foreign Minister appointed. 35

Two principles restricted recruitment to the public administration, both of British origin: 1) a person who was a chief was not allowed to keep his position at the same time as he held a post in the Public Administration, 2) a civil servant was not allowed to be a member of a political party. 36 In Great Britain these principles were applied to assure the neutrality and autonomy of the Public Administration in relation to the elite groups. The consequence in the colony was, however, that few educated Basotho were allowed to be employed in the administration. During the period 1960-1970, the restrictions no longer prevented participation in politics. Few Basotho civil servants were then silent about their opinions. They stated their support frequently and openly, mostly in favour of the BCP. 37 After violent police repression in 1970 and 1974 against BCP supporters, this climate of open political discussion changed. 38

"Indiscipline" and Dismissals

What interest and possibility did the government have to control its public administration? According to the Constitution 1960-1970, a Public Service Commission with executive powers guaranteed the autonomy of the public administration in relation to the government. The government was not allowed to recruit or dismiss civil servants freely. This law was implemented efficiently and, during the years before and after independence, the government had little possibility to make its public administration obey orders if the civil servants were not prepared to obey.

Technical departments are difficult to control in all countries, since they are their own experts as well as advisers to the government. The BNP government in office at independence was inexperienced and met with active opposition from large parts of the public administration. Both lower and higher civil servants were active supporters of the BCP. The newly recruited higher civil servants had, as mentioned earlier, got their education via the BCP. 39 The BNP had access to scholarships for higher education via the colonial administration, which favoured the BNP and refused scholarships to BCP supporters. These colonial scholarships were, however, very few. On the contrary, the BCP received many scholarships from OAU-countries like Ghana, Tanzania and Egypt, and also from Eastern Europe. 40

The active African civil servants' organization was dominated by the BCP. Now and then it enforced its view on decisions by the Public Service commission. 41 An indigenization of posts held by British civil servants was demanded by all groups of Basotho civil servants, even in the lower ranks. Most of these lower civil servants were considered to be supporters of the BCP.
Irregularities in the voting procedure had been discovered and reported in the press in 1965. In two cases the BNP was found guilty of such irregularities when these were taken to court. The parties in Parliament had almost the same size and the government would have had to resign if two opposition members had not crossed the floor. The British principle of "majority in one-man-constituencies" was severely criticized by the opposition. The opposition had gained about 60 per cent of the votes in the election but did not get more than 28 out of the 60 seats in Parliament, as already mentioned in chapter 3. Gifts from the South African government and the Catholic church to the BNP leader were stated publicly by the opposition as examples of corruption and foreign intervention. All these different circumstances led to a situation where BCP supporters among the civil servants saw the government as illegitimate. It was called a "South African puppet regime". Foreign civil servants were considered "South African-minded", unless they openly criticized the governments of Lesotho and South Africa. Government orders were delayed indefinitely. BNP supporters as well as many foreign state employees and aid personnel were treated as non-existent.42 This situation resembled an election campaign. It was in fact a well-organized campaign of disobedience and continued without interruption until a few months after the coup d'État in 1970.

Those in the central public administration who were most loyal to the BNP government were the former British colonial employees. In 1969, there were only about 60 of them left. Another 50 South African government-sponsored employees were also considered loyal to the Lesotho government.43 In the countryside, village chiefs, white traders, priests and teachers in Catholic missions assisted the government.

There was undecisiveness at the national level and few decisions were taken as a result of the unstable parliamentary situation and the openly negative attitude of BCP supporters at all levels of the public administration. Walter Coutts, a British official, investigated the government structure and suggested reforms to achieve more effective administration. He concluded his report in 1966:

All of these proposals will be politically difficult to carry out, but unless the nettle is grasped I can see no real hope for Lesotho. Your service has almost ceased to function at all for a variety of reasons. There is indiscipline at all levels which is almost unbelievable. Government instructions are either obeyed or ignored according to the whim of the recipient.44

The fact that Basotho civil servants and villagers supporting the BCP opposed every act of government and reacted through civil disobedience in accordance with the BCP policy was not mentioned in the report, but was nevertheless common knowledge in the country.

Action taken by the government to remedy the situation was mainly of three kinds: (1) decision-making was centralized as far as possible and more responsibility was given to the posts filled
by foreigners "neutral" to party conflict, (2) recruitment abroad via foreign aid donors was rapidly increased, (3) police action was increasingly used against disobedient civil servants of Basotho origin.

We have already mentioned the centralization which took place through the abolition of all administrative offices and governing elements in the countryside. The necessity of foreign experts was considered common to all underdeveloped countries by aid agencies in Europe and the United States. The Lesotho government only had to refer to the scarcity of educated citizens. There was, however, a large number of citizens with formal education in Lesotho, who were not acceptable for security reasons. Government reports on employment among secondary school leavers and university graduates indicate no scarcity. There was a rather high unemployment among educated citizens, and state employees who were citizens of Lesotho often held posts below their qualifications. Others were given less responsibility than their experience and education warranted. The handful of Basotho civil servants trusted by the government were overwhelmed with work.

After the coup d'état in 1970 the Lesotho Public Service Commission was controlled directly by the government. State employees were dismissed for political and security reasons, and in the Ministries of Health and Agriculture, the government did not even fill the vacancies after dismissals. However, new posts were created within the police force. The BCP had secured the majority among the rank and file of the police force in 1970, according to the separate poll taken the day before the general elections. Supporters of the BCP and MFP left their jobs after the coup d'état. Some of them joined guerrilla groups operating in the mountains without support of their parties. Others were dismissed and their jobs were filled according to a system of BNP membership card requirement. Membership of the government, Liphephechana, became an absolute requirement for recruitment in all parts of the public administration. After much pressure inside the country and criticism from the ILO in a special report on trade union rights in June 1975, the government stated that this system had been abolished.45

Recruitment for Police Repression

The BNP government generally stresses the importance of law and order in its public statements. The increased importance of the repressive functions given to the state institutions is expressed also in other ways. It is seen, for example, in the priority given to the police forces when new posts are established in state employment.

The number of policemen suddenly started to grow in 1965 and almost doubled in five years. According to a policy statement by the Commissioner of Police in 1967, the police forces should be fully expanded by 1970.46 This policy was changed after the coup d'état as the state of emergency required more police personnel than ever before. The establishment of new posts within the police
was again doubled within twelve months. The expansion of the police forces continued, with particular emphasis on the military police and the Police Mobile Unit (PMU). There is no indication that the police force is intended for the purpose of defence, and the technical facilities would be of little use in warfare with another country. The figures should therefore, according to the commissioner of Police, be compared with army figures in other countries despite the fact that the PMU has been used only against the population of Lesotho.

Table 4.2. Number of Policemen Related to (de jure) Population in 1965, 1967 and 1970

<table>
<thead>
<tr>
<th>Year</th>
<th>Absolute number</th>
<th>Citizens/Policemen</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>823</td>
<td>1,150</td>
</tr>
<tr>
<td>1967</td>
<td>932</td>
<td>1,230</td>
</tr>
<tr>
<td>1970</td>
<td>600</td>
<td>1,230</td>
</tr>
</tbody>
</table>

* with citizenship in Lesotho including absentees.

How can we explain the priority given to armed police? The Jonathan regime had several reasons for strengthening the police force. Possible reasons were:

a. Earlier the British army or the South African army could be called in on occasions of public violence. This was no longer possible.

b. Leabua Jonathan and his party had been elected by groups in favour of law and order and status quo.

c. The police was the best organized and most efficient of the state institutions at all levels, and the only state institution individually and directly under the control of the Prime Minister.

d. Aid donors and foreign companies asked for a better control generally in the country and for the personal safety of their staff. The largest aid donor, Great Britain, did not try to counteract this strengthening of the police but instead supported it by providing the top personnel.

e. There was a strong and well-organized opposition in Lesotho and the government was protected by the police on many occasions when its members were threatened with hostile demonstrations.

The two reasons given by the Commissioner of Police in 1967 for the recruitment of a large number of policemen at lower levels were the increase in "public violence" and the higher incidence of "stock theft". In December 1966 according to police estimates, about 30,000 people made their way to Thaba Bosiu, the historic mountain and capital of Moshoeshoe I, to protest against the government. The government forbade the opposition leaders and the young Moshoeshoe II to be present and the Commissioner of Police - acting
on the order of the Prime Minister - ordered the mounted policemen to stop people going to the mountain. The people, who had already arrived were fired upon and ten were shot dead and others were wounded. In the annual police report for 1967, reference was also made to "attacks at several police stations". The police stations of Leribe and Butha-Buthe are mentioned specifically. At Leribe, "the police, who had been warned, repulsed the attack and dispersed the mob. One man was shot dead during the exchange of shots."

Eighteen men were arrested afterwards and charged with public violence.

Police Co-operation with South Africa

The South African police demanded active co-operation with the police forces in the neighbouring countries. The leading British policemen were openly willing to meet this demand. The close co-operation which already existed between the criminal investigation departments in Basutoland and South Africa was not regarded as adequate. In 1967, the co-operation was strengthened through the establishment of a "Stock Theft Unit" and a "Diamond Branch" in Lesotho. Their work in Lesotho was described as follows by the British Commissioner of Police:

A sound liaison between this unit (the Stock Theft Unit) ... and its counterpart of the South African Police has been built up in order to combat this mutually disturbing crime.

South African police statistics were referred to. The number of stock theft cases in the Orange Free State had increased from 1,393 in 1961 to 3,588 in 1966.

The diamond branch at the headquarters of the Lesotho police was intended:

- to protect the diamond industry of Lesotho... Once again there has been close liaison between this branch and its counterpart in the Republic of South Africa.

The reason for the co-operation was not specified. During the colonial period, the South African police had often crossed the borders to look for stolen cattle or for people suspected of political and criminal offences. Several kidnappings of political refugees from South Africa, who were hiding in Basutoland had been reported. When Basutoland became independent the South African police could not have continued to cross the borders as easily as before if formal co-operation had not been established. With the creation of a Lesotho Stock Theft Unit, South African policemen could travel around the countryside after reporting at a police station in Lesotho.

The fact that South African police cars could be seen in the mountains of Lesotho even after independence was stressed by the BCP as evidence that "independence was false". Frequent police raids were made allegedly in search of stolen cattle but with
arrests for security reasons as a result. These are considered to have been one important reason for the swing from the BNP to the BCP by voters in the mountainous areas bordering the Transkei in the 1970 election.56

Conclusions

The 1960s was a period of increased popular control of the state institutions through parties and local government. After the abolition of the local government in 1968 and severe restrictions on party involvement in 1970, a new period of decreasing popular control of state institutions started. The legitimacy of state institutions decreased in the rest of the society at the same time as the remaining state institutions increased their efficiency in a narrow sense. That is, orders were obeyed, the employees followed the rules etc.

The government attempted to increase the efficiency of the state institutions in this sense during the first decade after independence. Its decision-making capacity increased through the abolition of local government, the centralization of decision-making, increased control of recruitment and, most important of all, through the abolition of Parliament. This increased efficiency was largely in line with the advice given by Great Britain to its former colony and was also generally in line with the planning philosophy introduced through aid agencies, particularly the World Bank.

State institutions which were efficient in the same sense existed also during the colonial period. But they disappeared during the decade preceding independence. This was largely a result of a higher level of political consciousness among the inhabitants, including the state employees. Conflicts between different aims became conflicts within the state institutions. Education and recruitment had become largely BCP-controlled. This was seen as one of its greatest problems by the BNP government when it came into power. "Disobedience" through strikes and decisions contrary to government intentions were frequent within the state institutions during the 1960s. After the coup of 1970, state institutions were still inefficient and "soft" in the sense described by Gunnar Myrdal for South Asia. Disobedience now met the government mainly outside its state institutions. Government decisions were difficult to implement. Companies did not pay taxes, the elite did not obey new laws etc. But there was softness not only in relation to the economically established groups. Government decisions contrary to the aims of the mass party, BCP, were impossible to carry out. Occasionally the government met this problem with police repression. The repressive machinery was expanded in order to make the inhabitants obey the government.

The existence of South African law inside Lesotho illustrates how Lesotho is tied to South Africa; Since the Republic of South Africa is an extremely legalistic society, changing its written laws in accordance with the government policy, the new laws pre-
pared by the expertise provided by the South African government are of particular interest. We have seen that the kind of laws intro-
duced were largely security laws and laws allowing for capital in-
vestments in Lesotho.

The growth of state institutions expected with a dependence
approach did not occur as fast as expected in comparison with other
post-colonial societies. Recruitment of state employees was slow,
only 1-2 per cent. This can be explained partly by the British aid
conditions. Another restriction was also noticeable. The majority
of the educated inhabitants supported the opposition parties and
were therefore considered security risks by the government. "Dis-
obedience" in the civil service made the government suspect even
its own state employees. Important decisions were prepared by
advisers from outside and from foreign companies and governments.
The relative ease with which the government was able to recruit
technical assistance abroad resulted in an increase of the pro-
portion of foreigners inside as well as outside the state insti-
tutions.

The most remarkable change affecting the character of state
institutions after independence was the rapid increase in finan-
cial resources at the disposal of the government. Most of these
resources came from foreign aid agencies. Drastic changes in the
organization of public administration also occurred. In the country-
side, aid projects tended to dominate the surrounding areas as all
resources were concentrated on projects. Chiefs, foreign aid per-
sonnel and policemen controlled larger and larger areas in the
countryside at the expense of the villagers, who had earlier par-
ticipated in the control via co-operatives and elected committees.

But there was a marked increase of the number of subject
areas in which the post-colonial state institutions were involved.
However, labour recruitment and wool/mohair exports were still
outside the control of the government and the people in Lesotho.
These areas are - as we have seen in chapter 2 - the sectors
which mainly define the relation between Lesotho and the rest of
the international capitalist system. They are largely controlled
by multinational companies based in South Africa and Europe.
5 Government Development Policies under Conditions of Unequal Integration

Many scholars define public policies as "whatever governments choose to do or not to do".\(^1\) This definition has, however, been criticized: "In spite of what is often believed in the discussion ... governments do not choose their strategies",\(^2\) This implies a view where public policies are determined by historical and structural conditions. In this case study, public policies are viewed as the result of both historically determined structural conditions and of the government's efforts to change these conditions, giving priority to self-chosen values. These values are of course also the result of historical and structural conditions. We have already discussed these conditions and the resulting political ideas. The aim of this chapter is to investigate the developmental priorities and actions of the government as well as the reactions to government development policies. Particular references are made to changes in foreign control of resources and administrative procedures. The present chapter contains a discussion on the declared development policies of the Lesotho government followed by two examples of their implementation.

Emphasis on Foreign Private Investment and Aid

After independence the government gave priority to security and the increase in state revenue. These activities are seen by the government as part of its development ambitions. The poor and stagnating economy in Lesotho is seen as the result of the limited economic relations with the outside world,\(^3\) together with government restrictions on private investment.\(^4\) Since independence the government has sought to create conditions favourable to foreign private investments.\(^5\) Donor agencies provide a major part of state revenue and is channelled into fields which foreign private enterprises find profitable.

The government aims at economic independence and economic growth. Economic independence may be achieved through widened and diversified foreign economic relations. Economic growth is maintained through the actions of individuals. The government defines its own role as passive, stimulating the inflow of foreign private capital, and providing additional funds and know-how from donor agencies via its public funds to whatever opportunities private foreign capital finds profitable. It is claimed that social justice is secured via the land tenure system. Maximum domestic employment is sought through the natural growth of the economy, the indigeniza-
tion of foreign posts in government and labour intensive so-called Food Aid Projects. In line with its general belief in non-interference with individual economic investment initiatives the government rarely publicly declares its development policies. The Five Year Plans are, however, often quoted in government speeches all over the country. We have, therefore, to turn mainly to these plans to find documentation on the declared aims of development. Tim Thahane, head of the Central Planning Office during the period 1970 to 1974, replied in the following way, when asked if the Lesotho government has any development policies of its own:

Yes, of course. The government has accepted the Five-Year Plan. Every year we publish an evaluation of the year before and a list of the projects we are going to implement the coming year. The Development Plan is thus formed into concrete projects. We do not have policies stated except for the Five-Year Plan, but the Plan is very detailed and the projects are selected and implemented to fit the Plan.

Although there were attempts to formulate a five-year development plan during the first four years after independence, the first plan was not published until December 1970. This plan was mainly formulated by foreign advisors, but it was in line with general targets set in the BNP manifestos of 1965 and 1969. This first plan became mainly a detailed recommendation on what further technical studies were needed, but contained also general priorities and a few detailed projects aiming at reaching the targets which had been given priority.

The government consciously attempts to avoid discussion of its priorities. The experience of public opposition during the first years of independence has strengthened the already existing inclination to present development as a technical matter, possible to delegate to experts rather than politicians.

The government has met the internal opposition to its development policies by referring to foreign expertise. The Second Five-Year Development plan, published in 1975, states also: "Competent consultants on development possibilities and priorities have given their recommendations."

During the first plan period the government had succeeded in reaching the targets of "raising more government revenue" whereas it failed in "providing more jobs in Lesotho and increasing local incomes".

This is partly the result of conscious allocation of time and expenditure. High-ranking state employees travelled around the Western part of the world to raise more funds, whereas remaining state employees gave service to foreign missions visiting Lesotho to study possibilities of extending credits and technical assistance. In consequence the implementation of such projects tended to be neglected.

Overall economic growth, planned to be 5 per cent per year, did not materialize according to unofficial estimates by the World Bank. There was, however, some growth in the sectors where foreign
private capital chose to establish itself: in tourism, construction and commerce.\textsuperscript{14} In its first plan, the government stressed that public funds to the agricultural sector would create employment. It stated that it expected "10,000 to 15,000 new employment opportunities mainly in non-agricultural activities".\textsuperscript{15}

The target of job-creation was not reached. It was, according to the critics, not even planned for. Much was hoped by the government from a co-operation with the Republic of South Africa on building a hydro-electrical and/or irrigation scheme, at the Malimabatso river in the North-West of Lesotho, serving South Africa with water. The government also hoped much from its pilot agricultural projects. The evaluation of such projects would give recommendations on what agricultural policies to follow.\textsuperscript{16} The Leribe pilot project would, according to government declarations, not only give employment through new income earning possibilities, but also illustrate how productivity could be raised and production increased.\textsuperscript{17} This turned out to be unrealistic.

The implementation of the Leribe project was left to the Food and Agricultural Organization (FAO), who financed the project together with the United Nations Development Programme (UNDP), later the Swedish International Development Authority (SIDA). The two principal chiefs were appointed by government to participate on the board of the project. They agreed with FAO on introducing scientific farming via this pilot project.

An increase in the cash crop part of production in Leribe was reached, and this was an old BNP aim, expressed in its 1965 manifesto. But employment in the project area decreased when productivity increased. More people migrated from this area than from other parts of Lesotho.\textsuperscript{18} In 1973 and 1974 there was widespread and organized opposition among the villagers to the low degree of participation they were allowed. Village committees were not heard. Decisions concerning the villagers were taken by the project board and new farmer associations.\textsuperscript{19} The villagers went to court to accuse the chiefs and a few others who had become "contractors" as part of the project. According to the villagers these contractors were getting a larger share in the existing share-cropping system than was rightfully theirs.\textsuperscript{20} The villagers were given rights in a special investigation commission appointed by the government in 1974.\textsuperscript{21} In its second development plan the government had second thoughts and gave up its plan to create more jobs in agriculture:

Employment will have to come in industry, commerce and tourism.\textsuperscript{22}

These sectors of the economy are, however, to be left to the initiatives of future private investors from abroad. The government states again its intention to assist interested firms:

Everything possible will be done to foster expansion of private enterprise,\textsuperscript{23}

The Lesotho National Development Corporation (LNDC) was given about half of the public funds, 80 out of totally 145 million Rand, for the period 1975 to 1980.\textsuperscript{24} Leabua Jonathan declared in April
1975, at an aid donor conference in Maseru:

We have always welcomed the participation of the private sector in the development of this country and the representatives gathered here can assure any potential investors that it is certainly not our policy to nationalize private investments.25

Jonathan also assured that "investors are by no means required to use the services of the Corporation". LNDC has its prime target to give service to interested foreign investors.26

Only lately has there been opposition from national capital. The Basotho Traders Associations27 reacted critically towards an LNDC attempt in 1975 to establish a wholesale store in Maseru without their participation.28 The government met this opposition with a decision to establish a Basotho Enterprise Development Corporation (BEDCO) under the leadership of LNDC, and by ordering LNDC to train interested Basotho to become managers and entrepreneurs in LNDC subsidiaries.29 Since such managers generally have incomes higher at present than most local enterprisers, it seems as if the opposition was thus successfully met.

Lesotho, an Open Economy

At independence, Lesotho possessed an unusually open economy with almost no restrictions on the flow of money, goods and labour (see chapter 2). Subsequently, the government's policy has been to increase the openness of the economy. Partly as a result of bargaining with South Africa, existing capital restrictions in connection with the lending of funds on the South African money market have been lifted. Lesotho today lends out more money than ever before to the development of the South African economy.30 The government has also attempted to increase the security and favorable terms for foreign investors to establish themselves in Lesotho. In chapter 4 we saw that South African law makers were invited to modernize the laws to bring them in conformity with company laws performing in South Africa.

The country is not only integrated into the South African economy, but also into the Commonwealth and, as an associate member since 1975, into the European Economic Community (EEC). The situation has been described as follows by the LNDC in one of its many booklets published to attract private capital investment from abroad:

Lesotho has the entire South African market on its doorstep. It shares with South Africa the South African Rand... Lesotho has common customs tariffs and agreements with South Africa. There is no problem about repatriation of capital and profits, few immigration restrictions on staff... As a member of the British Commonwealth it can trade with all of Africa and the world on Commonwealth preference terms.31

In its ambition to apply a liberal policy, the government has invited large efficient companies with a long tradition of techni-
cal skill and know-how at their disposal to compete with the few local enterprises established during colonial rule, mainly in commerce. The indigenous enterprises receive less favourable taxation and establishment terms. The Lomé Convention with the EEC allows associated countries to protect their infant industries. But the possibility to protect infant industries is more limited according to the Customs Agreement with South Africa, Swaziland and Botswana. Protection has only been efficient in handicraft. The laws thus allow for greater protection also for other infant industries.

In relation to the Republic of South Africa the policy has been to take up for discussion one area of formal decision-making after the other. Where there was earlier only tacit understanding of the principles, explicit bargaining rules have now been established. This policy may not have increased the powers of the Lesotho government directly, but it has probably had the effect of raising the level of consciousness. Earlier power relations have been more openly confirmed. Examples of these are the Customs and Excise Union agreement of 1969, the Monetary Union agreement of 1974, and also a whole range of agreements at lower levels of inter-government consultations concerning maize, wool, mohair, wheat and other production levies, soil conservation plans and labour recruitment. The conclusion is that the Lesotho government has established itself as a formal decision-making unit accepted by the South African government within its regional plan.

It is interesting to make a brief comparison of the Lesotho development plan with that of South Africa. The South African plan is more specific, more authoritarian and more sophisticated than the Lesotho plan. It also covers areas of consequence for the neighbouring nations. The Lesotho plan is written, it seems, to fit into this broader framework. It stresses particularly the regional decentralization aim of the South African development plan. Peripheral regions should, according to the South African development plan, be given the chance to have industries and become integrated into the dynamic and expanding part of the South African economy. Encouragement to private investors who want to establish industries is given in much the same way as the Lesotho plan indicates. Thus, the plan states, more jobs might be created while keeping the same broad aims at the South African government. Actual developments in Lesotho demonstrate that employment has not increased. The protectionist and regulatory orientation explicit in the South African plan is, however, not part of the Lesotho plan philosophy. As already mentioned, the Lesotho government considers regulations as obstacles to development potentials in Lesotho.

Cheap black labour is a basic comparative advantage for the South African economy in relation to other industrialized countries. The Lesotho government argues that it attempts to utilize the same advantage. Still, this is a major argument in LNDC pamphlets. But a low wage policy in Lesotho is in contradiction with its industrialization aims, since there is not enough labour
in Lesotho at the present low wages. Since wages are higher in South Africa there is an economic incentive for workers to migrate additional to all structural obstacles mentioned.

A low-wage policy in Lesotho is, however, in line with the South African plan. The risk of a shortage of labour is stressed as being dangerous to the low-wage policy in South Africa. In planning for the continued supply of low-wage labour, the South African plan counts on Lesotho as a source of migrant labour. Its plan stresses particularly the danger of a shortage of skilled labour. The Lesotho plan includes a plan to increase training of its own people, but since there is no plan for absorption of trained people within Lesotho it seems as if they were planned to be exported to South Africa.

During the period 1973 to 1976 the South African employers who depend on foreign migrant labour have shifted areas of recruitment. This has been a strategy enforced by political changes in Mozambique and Angola and a reaction to the stoppage of labour migration from Malawi to South Africa. Lesotho has grown in importance as a labour reserve, at the same time as total recruitment of foreign migrant workers has decreased. Wages increased as a result of increased recruitment within South Africa. Mine labour recruitment within Transkei increased with the same percentage as within Lesotho. Thus, we can distinguish a new pattern of labour reserves.

The Lesotho government policy has been to refer to the advantage of the increase in wages in South Africa. In practice it has encouraged more of its people than ever to work in South Africa. Lesotho and Transkei have become the two most important reserves for mine labour. South African mining industry has thus increased its dependence on these two areas, at the same time as it attempts to slowly change to more capital intensive production. South Africa lets the Lesotho state pay the costs of education, health and pensions, while taking advantage of the increase in the economically active population. In this way the Lesotho government expenditure is accommodated to suit the South African mine interests. Now a larger amount of money is passing via Lesotho as a result of compensations according to the Customs Union Agreement (1970), the Monetary Agreement (1974) and as a result of the Migrants' Deferred Pay Agreement (1975), without, so far, increasing local incomes or employment.

The Lesotho government has not interfered with the system of labour recruitment which has existed almost since colonization. South African recruitment firms recruit workers within Lesotho via a large number of offices and agents.

There are no published statistics on where migrant labour from Lesotho works, nor in what-capacities, although such investigations are in progress. The following list of recruitment firms includes the South African organizations with offices in Lesotho. These keep statistics of the numbers officially recruited mainly to the mines. No Lesotho based recruitment organization is operating and individual job seekers are not recorded.
Table 5.1. Recruiting Organizations in Lesotho

<table>
<thead>
<tr>
<th>Name of broker</th>
<th>ACRO* Recruiting Organization</th>
<th>ARC Amalgamated Recruiting Corporation</th>
<th>NCOLA Natal Coal Owners Labour Organization</th>
<th>MLO (NRC) Mine Labour Organization (Native recruiting corporation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of employment</td>
<td>Coal mines in Orange Free State</td>
<td>Gold and manufacturing</td>
<td>Coal mines and coal industries in Natal</td>
<td>Mines in the Johannesburg area</td>
</tr>
</tbody>
</table>

* Before 1963 the organization was called FRO, Frasers' recruiting organization.

Source: Lesotho Telephone Directory

As in Transkei, the mine workers are recruited via a network of offices with agents in every village. These agents are often miners themselves on home leave between contracts. At the offices there are health controls, passport and contract arrangements. Since 1974 the government requires the recruitment firms to pay a small fee per contracted worker. This will be discussed in the next section of this chapter.

The largest employer in South Africa and also the largest employer of the officially recruited mine workers from Lesotho (estimated at about 80 per cent) is the Oppenheimer group. Anton Rupert's Rembrandt group is another large employer. It is in fact believed to be one of the largest in South Africa, but does not publish any figures. The Rembrandt group, containing for example breweries and textile firms, is believed to employ a large number of workers from Lesotho under the exemption rules from the apartheid laws.

Multinationals as the Motor of Economic Growth

The Lesotho government has sought to reach its aim of economic growth through increased contacts with large and expanding firms. From 1967 onwards, tax shelter is given to foreign firms that want to establish themselves in tourism, construction or manufacturing. The tax shelter provides for

a. Complete exemption from company income tax for the first six years of operation or
b. Deduction of specified allowance from company income for the purpose of calculating company income tax. These provisions allow a manufacturer to deduct from his taxable income 145 per cent of the cost of machinery and equipment brought into use and an immediate
deduction of 75 per cent of new building costs with an additional 5 per cent during the next 20 years of cooperation. Other deductions relate to the cost of new housing for employees, wages paid to Lesotho citizens, educational expenses, water, sewerage facilities, transport and iron and electric power.

The reasoning behind the government's decision on a tax shelter and the establishment of the LNDC was that the government considered the lack of economic growth during the colonial period to be due primarily to a lack of capital and private enterprise. This was blamed on interference from the governments of Britain and South Africa. The Lesotho government is therefore determined to let private foreign capital expand in whatever sector is considered profitable.

The interest to invest in Lesotho has been extremely low in spite of the efforts exerted by the government to attract foreign capital. Anton Rupert, the leading Afrikaaner industrialist has written:

In the belief that the multinational corporation even more than the geographically confined "local" business undertaking, has responsibilities far beyond the mere attaining of profit objectives, the multinational entrepreneur seeks to establish bridges of partnership, such as those erected by our group between capital and educations, capital and sport, capital and art, capital and culture. For these reasons too we are seeking ties of better understanding with our neighbour states.

The results of the contacts established between the Lesotho government and multinational corporations have been joint ventures, where the government provides most of the capital and the multinational provide management, know-how and wider international contacts. Both the Rupert and the Oppenheimer groups are, for example, in the vanguard of the South African government's "outward looking" policy. They are in turn recipients (in the Republic of South Africa) of large foreign capital investments from the United States and Western Europe. They also have investments in many other countries of the world. Although, South African-based, they do not depend on strictly South African capital. Still there are very few cases of actual capital transfer from large private firms to Lesotho.

There is, however, another interest expressed by the Lesotho government when talking to the managers of large multinational firms. These are seen as powerful personal friends and advisors, useful as partners in bargaining with the South African government. In 1970 the managers of the Rupert-Rembrandt and the Oppenheimer groups were mentioned as "friends who have stood by in times of crisis". In this case, and possibly also in other cases, the support from these firms has been used against the radicals among the people of Lesotho.

There is in Lesotho a tradition of playing off different interests in Europe and South Africa against each other to gain favours for Lesotho. Leabua Jonathan refers to Moshoeshoe the Great, when arguing that more contacts with Europe strengthens Lesotho in relation to South Africa. After independence in 1966, the
government saw its main conflict in relation to Great Britain. The conflict concerned the degree of priority that should be given to industrialization. Britain wanted to give Lesotho aid for infrastructural development mainly, whereas the Lesotho government wanted to start industrialization immediately and much faster than the British aid administrators thought wise. Representatives of the British government aid agency, Overseas Development Agency (ODA), criticized particularly the invitation of South African businessmen as advisors to the Lesotho government.

A reason for deteriorating diplomatic relations between Lesotho and South Africa during the 1970s has been the question of setting up industries in Lesotho. According to the Minister of Finance, E. R. Sekhonyana, and the managers of LNDC several incidents have occurred where foreign industrial giants wanted to set up subsidiaries in Lesotho, but were rejected because of pressure from South Africa. The examples of such incidents given are: a Japanese motor assembly plant, an Italian shoe factory, a West German television assembly plant and a mill. Exactly how this pressure was applied is not easy to determine. Telephone calls from the Ministry of Planning in Pretoria to the head of LNDC and the Ministers in the Lesotho government are mentioned as channels of communication. South African security interests are mentioned as reasons for the South African pressure, but it is possible also that firms experiencing competition in South Africa have protested via the South African Ministries. The case of the Japanese investment application is interesting, since the government of Japan has forbidden investments in the Republic of South Africa, because of apartheid. If one firm had been allowed into Lesotho, possibly many firms would have followed.

There are, however, a few multinational corporations with investments in Lesotho. Two of these established themselves prior to independence; The Anglo-American/De Beers corporation recruiting mine workers from Lesotho long before independence and investing in diamond mining in 1975; and the Fraser and Son, Retail and Wholesale with a near monopoly in commerce, The Rembrandt Corporation is another important multinational after independence. It supplies managers to LNDC subsidiaries and has ownership in the Economic Development (Bank) for Equatorial and Southern Africa (EDESA) established in 1973 in Lesotho. Neither EDESA nor the Rembrandt group transferred capital to Lesotho. Holiday Inn had the monopoly in the rapidly expanding tourism sector from 1970 until 1974, when the government signed an agreement with the Hilton Corporation.

The main similarity between these firms is that they are large and belong to companies that expand in Southern Africa. With the exception of Hilton and Holiday Inn they each control a distinct sector of the Lesotho economy and therefore do not compete directly. They all have frequent and cordial contacts with the government of Lesotho through personal visits by their top managers.

The relation between the government on the one hand and the companies of Anglo-American/De beers and Rupert-Rembrandt on the
other will be partly illustrated in the section where the implementation of the government's development policies is examplified. Here I will, however, mention the expansion of Frasers and Holiday Inn.

An Expanding Multinational in Trade

By far the biggest retail trader with a monopoly of wholesale trade in Lesotho is the British multinational Alex Fraser and Son. The Fraser family established themselves in diamond mining as early as the 1870s in Kimberley, in the Boer Republic, but expanded in commerce mainly. Frasers was one of many trading companies established in Basutoland during the colonial period. Only during the 1960s did this firm manage to buy out several South African based traders - Nolan, Hyland and others. During the 1970s Frasers have expanded also by controlling hundreds of cafés earlier owned individually by Basotho. Frasers has about 300 large stores in the Republic of South Africa. About 60 stores in Lesotho are organized under separate subsidiary under the South African subsidiary of the British Frasers. Frasers in Britain also have the largest share in a large assurance company, Protea, with a South African subsidiary, which in turn established a branch in Lesotho as early as 1930.

In 1973 and 1974 the government nationalized trade in wool, mohair, livestock and crops. This was done after the South African government decided on the same policy change. (See chapter 2.) In Lesotho it was, however, presented as an isolated government initiative. Earlier, Frasers and other travelling South African brokers had earned quite large profits, 30 per cent, on buying agricultural produce and giving credit on food and manufactured goods to the producers. In Lesotho the Ministry of Agriculture and its Livestock and Crop Marketing Corporations act as the main brokers. The agents of these state corporations can offer an higher price than the private traders used to pay, according to their own estimates. Frasers and other private traders immediately increased their prices on manufactured goods and food to compensate for losses caused by nationalization. Inflation of about 20-30 per cent was experienced in Lesotho as well as in the Transkei and other mainly black rural areas where the same reaction from traders followed the take-over. The inflation in these areas was 5-10 per cent higher than in the urban areas of South Africa. The expected increase in rural incomes was thus consumed by higher living expenses.

An Expanding Multinational in Tourism

The tourist sector was the fastest growing sector of the Lesotho economy during the 1970s, mainly due to the opening of Holiday Inn and Hilton Hotel in Maseru, Hilton was invited to compete with the Holiday Inn, 110,000 tourists visited Lesotho in 1972, compared
with 3,000 in 1968. Both multinational firms had changing shareholders on the international bond market. Both have drawn mainly on Lesotho government capital. Examples of such government investments with foreign management in addition to hotel bedrooms are:

- Casinos, restaurants, conference rooms, cinemas, boutiques
- Travel bureau, taken over from a British firm
- One old hotel with a restaurant and bottle store
- A shopping centre in Maseru (a joint venture with the South African insurance company Sanlam)
- Housing for its foreign employees
- Investments in the old Maseru club
- Lodges at Oxbow, the "mountain road" and the Sengonyane falls.

The expansion of the tourist sector has resulted in rapidly increasing imports. The government revenue from tourism has been mainly its share of customs on imports. But a change in policy was decided in 1975, when a levy on the casino incomes was introduced. The increase in employment during 1970 to 1975 as a result of the expanding tourist sector is estimated at 1,200 including employment in construction. This was in fact three quarters of the total number of new jobs created during this time period. This represents an increase in comparison with the first years after independence and should be offset against the more than corresponding decrease in the number of those employed in agriculture and diamond mining. (See appendix II.)

**Increased State Revenue and Aid**

A remarkable increase in state revenue took place after independence, as mentioned earlier. But what changes took place in the distribution of the sources of state revenue?

The Lesotho government accounting system differentiates between capital and current revenue. Fifty-eight per cent of current accounts revenue in 1971/1972 were derived from the country's share in the customs revenue pool. In the same year 90 per cent of the capital revenue accounts were derived from foreign aid. (See also table 5.3 p.112 for 1974/175.) In his budget speech over the radio in 1971, the Minister of Finance, Peete Peete, said that the position of his government was determined largely by the financial and economic policies of the Republic of South Africa and by the international economic fluctuations, over which Lesotho had no control. There was, however, a reduction in the budget deficit from 6 million Rand just after independence in 1966 to 1 million Rand four years later. This was, according to the Minister of Finance, "an achievement which deserved publicity".

What are the tendencies in the structure of state revenue during the years before and after independence? Until 1957/1958 the government budget was balanced. In that year overall expenditure matched domestic revenue at the low level of 3.5 million. No additional financial resources from outside the territory were provided. Thereafter, demands to increase welfare for the
inhabitants became louder and these were gradually met with increased expenditure. Preparations for independence were made. State expenditure for administration and infrastructure also increased and expenditure now exceeded domestic revenue.\textsuperscript{85}

The domestic revenue of the government remained at a low level in real terms after the 1950s. During 1966 to 1972, it was possible to counter inflation by more efficient tax collection methods and slight increases in tax rates. There were at least two reasons for the stagnation of domestic revenue:

1. The wages of the migrant workers in the Republic did not increase in real terms until 1971/1972, after demands from the workers' representatives had been put forward. Large strikes among the migrant workers in the mines and industries in 1973 and 1974 resulted in another wage increase. But the increases although real (not only nominal) were only marginal.\textsuperscript{86} They were mainly a compensation for the rapid inflation during the preceding five year period. In 1975, the wages of state employees in lower categories, teachers and technicians, were increased in Lesotho. This was the first general increase since independence.\textsuperscript{87}

2. Prices of the biggest export products (wool, mohair and diamonds) fell on the world market. The decreases did not stop until 1972-1973, when a stable floor price was set by the new producers' cartels established during these years.\textsuperscript{88}

The three largest sources of revenue for the state, foreign aid excluded, are customs revenue, taxes from migrant workers, and levies on wool and mohair. The levy is received via the South African Wool and Mohair Boards as a percentage on sales at the international market of Port Elizabeth. The customs revenue is decided in negotiations with South Africa and the other members of the Customs Union.

During the last five years of colonial rule and the first eight years of independence, Great Britain compensated Lesotho for the deficit between increasing expenditure and stagnant revenue. Before independence this was done through an automatic system of compensation to cover the deficit, whatever size it was. The deficit continued to grow during the first few years after independence and was then covered by the Overseas Development Agency (ODA) in London. This system was called "grants-in-aid" and remained until 1973/1974,\textsuperscript{89} when the state budget was again balanced - at a higher level - through increased shares in the customs revenue. This was administrated by the Republic according to an agreement signed in 1970.

During the first full budgetary year after independence, in 1967/1968, the overall budgetary deficit amounted to 9 million Rand, which was 65 per cent of the total expenditure.\textsuperscript{90} Looking at the revenue side, we find that the customs revenue, which is distributed after yearly meetings between the Customs Union partners, constitutes a sum of 10,6 million out of a total expenditure of 13,5 million Rand. Thus, almost 80 per cent was administered via South Africa.\textsuperscript{91} Part of the remaining 20 also were channeled via the Republic since the tax collection office for migrant workers was situated in Johannesburg, but administered
by Lesotho state employees. The wool and mohair levy was paid via the Republic's Wool and Mohair Boards until a reform in 1975, when it was paid directly to the Ministry of Agriculture in Lesotho.

The possibility to increase domestic revenue by fiscal measures was limited, according to the government's economic advisor in 1966, Professor Owen Horwood from the University of Durban. In 1975 he was appointed Minister of Finance in the Republic of South Africa. Well-to-do people were few and none were extremely rich and an increase in tax rates was not considered possible. The government depended on this small group for support and administration.

In 1970, a more efficient tax collection procedure - "pay as you earn", similar to the system introduced later on for the blacks in the Republic - was applied in Lesotho. This was done on recommendations by Professor Horwood and experts from the International Monetary Fund (IMF). The procedure was well implemented and helped the government to survive when the British Labour government delayed its aid to the country for a period of nearly six months after the coup d'etat in 1970.

But tax revenues in relation to the total state revenues are small in Lesotho. The revenue from company tax is particularly small. The tax rate is 37.5 per cent compared to 45 in the Republic. The foreign enterprises established in Lesotho after independence enjoy very favourable terms including eight years of "tax holiday". In fact, many of the old enterprises do not pay any taxes at all. They have not been punished for this so far. The revenue from company tax is exceeded by the revenue from income tax in Lesotho, which is unusual for an African country. Another reason for this situation is the fact that the economy of Lesotho is based on wage labour to an extremely high degree.

I have mentioned earlier that the BCP-controlled District Councils administered voluntary funds of migrant labour savings for investment in their respective districts until 1966, when the BNP government abolished these funds.

In 1974, the government agreed with the South African mine recruitment companies in Lesotho that these should pay a fixed amount of money per contract worker to the government. In 1975 the amount was ten Rand per contract, but this figure has increased since then. Thus the government received a new source of income. For 100,000 contracts a year, the government receives at least one million Rand. Even if the fee per worker is low, this income is not negligible in comparison with taxes, customs and aid.

A crucial increase in state revenue resulted from a re-negotiation of the Customs Union Agreement originally reached in 1910. In 1965, negotiations took place between the Republic and the colonial power which resulted in a decrease from 0.92 to 0.5 per cent in Basutoland's share of the customs revenue pool administered by the Republic. In 1969, new negotiations were held and a formula was set up to make the income fluctuate with the imports of the customs union partners. This resulted in a large increase in Lesotho's share from 1970/1971 onwards.
According to the formula agreed on, the more Lesotho imported from outside the Customs Union, the more it earned from the Customs Union pool. However, Lesotho did not directly control its customs revenue on imports into the country. This control was exercised by South Africa at the borders. Very delicate bargaining goes on between the Customs Union partners, the main principle being that the small neighbour countries should prove in figures the compensation they are entitled to from the common pool of customs and excise collected by the Republic. Better record-keeping of imports at the borders of Lesotho and closer co-operation with Botswana and Swaziland resulted in another increase of revenue for Lesotho in 1972. In the following year compensation for incorrect calculations during earlier years resulted in yet another increase. The formula for dividing the shares between the partners was complicated. Each partner country presented its own records on actual imports. Therefore, there was room for bargaining each year. In the period after 1974, a totally new and unpredicted effect of the formula was experienced by Lesotho. The denominator of the formula contains an estimate of South African imports, which suddenly increased more than the imports of the neighbour countries. This disproportionate growth was due to a rise in oil prices as well as rapidly increasing imports of arms in connection with the war against the MPLA in Angola. The cumulative result was an adverse effect on the Lesotho share of the customs revenue instead of the increases expected earlier.

Lesotho, Botswana and Swaziland experienced similar decreases in their shares according to the Customs Union formula agreed upon in 1970 by all the Customs Union partners. These three small countries co-operated in the bargaining process in 1975. Skilful bargaining and this co-operation were the probable reasons for the more favourable terms obtained that year. The general political situation during the South African war against Angola and the risk for opposition against the war from the Customs Union partners might have been other reasons why South Africa admitted more favourable terms than the formula allowed for.

On the other hand, there is always a possibility for the Republic to neglect the demands and delays or refuse to pay out the shares to smaller partners in the Custom Union. The government of Lesotho has obvious difficulties in planning revenue in advance. This results in difficulties to plan expenditure and makes the Lesotho government vulnerable. Often unpredictable revenue from foreign aid agencies has the same effect. The South African "strings" attached to the Customs Union revenue payments are difficult to pin-point because of the confidential nature of the bargaining process.

The customs revenue estimated for 1973/1974 was 14.6 million Rand. But the revenue actually received was only slightly higher than the year before, 8.9 million Rand. The reason for the decrease in 1973/1974 was a 17.5 per cent devaluation of the common currency and an inflation of 10–20 per cent. In 1974/1975 the estimated customs revenue was 10.9 million Rand, but the actual revenue now rose to 17.3 million Rand. In 1975/1976, it
Table 5.2. *Government Budgetary Position, 1957/58 to 1980/81 (in Mil- Lions of Rand and Maloti)*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current revenue</td>
<td>3.2</td>
<td>10.3</td>
<td>26.7</td>
<td>80.5</td>
<td>104.3</td>
</tr>
<tr>
<td>of which Customs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Exise Taxes</td>
<td></td>
<td></td>
<td>12.2</td>
<td></td>
<td>50.3</td>
</tr>
<tr>
<td>(Transfers from abroad including Customs and Exise Taxes)</td>
<td>(0.4)</td>
<td>(6.7)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current expenditure</strong></td>
<td>2.3</td>
<td>8.5</td>
<td>17.6</td>
<td>47.2</td>
<td>104.6</td>
</tr>
<tr>
<td><strong>Current deficit/surplus</strong></td>
<td>+ 0.9</td>
<td>+ 1.8</td>
<td>9.1</td>
<td>33.3</td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>0.9</td>
<td>2.4</td>
<td>5.6</td>
<td>19.3</td>
<td>62.2</td>
</tr>
<tr>
<td><strong>Capital expenditure deficit</strong></td>
<td>3.5</td>
<td>- 6.0</td>
<td>62.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing <strong>deficit/surplus</strong></td>
<td>0</td>
<td>- 0.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td></td>
<td></td>
<td>3.2</td>
<td>11.5</td>
<td>21.2</td>
</tr>
<tr>
<td>External loans</td>
<td></td>
<td></td>
<td>1.4</td>
<td>2.5</td>
<td>14.3</td>
</tr>
<tr>
<td>Internal loans</td>
<td></td>
<td></td>
<td>0.6</td>
<td>0.6</td>
<td>27.0</td>
</tr>
<tr>
<td><strong>Change in Cash balance (increase−)</strong></td>
<td></td>
<td>- 8.7</td>
<td>- 8.6</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total current and capital expenditure</strong></td>
<td>3.7</td>
<td>10.9</td>
<td>23.2</td>
<td>86.5</td>
<td>166.8</td>
</tr>
<tr>
<td><strong>Capital Revenue</strong></td>
<td>0.3</td>
<td>0.7</td>
<td>10.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: National Accounts of Lesotho, July 1983
unexpectedly dropped again to the level of 1973/1974. This was immediately re-negotiated with a better result.

The same irregular pattern can be seen in the revenue from foreign aid agencies. In 1970, after the coup d'état, aid from Great Britain and the Scandinavian countries was not paid out due to the unstable political situation. It was delayed for almost six months. A slow increase in aid started in 1972. In spite of the continually unstable political situation in 1974, a large increase in aid from international agencies and governments in Europe and North America started from that year onwards.

Information about the coup d'état that prevented the winning party in the election from taking power in 1970 was spread not only inside the country, but also via mass media in Europe and the United States. In 1974, however, the news about uprisings and violent repression in Northern Lesotho were efficiently silenced abroad. Even within the country, these events were not officially discussed. All foreign journalists were prevented from entering the country unless they had a special permit from the Prime Minister's secretary. Local journalists were either censored or arrested if they did not follow censorship rules. About two months later did a South African journalist report via the BBC about shooting that had taken place at Mapoteng, Peka and two other villages. More than 200 people had been killed by the police. This information was at first denounced as South African propaganda by the Lesotho government, but later admitted.

Foreign aid increased from 500 million Rand in 19731974 to 10 million Rand in 1974/1975. In the following year, it rose to 30 million Rand. The government of Lesotho has shown a remarkable capacity to obtain aid during a period when violently repressive methods were applied against the majority party. The BCP had conducted anti-government protest campaigns within the country without success. After 1975, the BCP started a campaign in exile to demand that aid to the Lesotho government should be frozen.

Observers both within and outside Lesotho have been surprised at the surplus money available in Lesotho as a consequence of successful revenue raising and expenditure saving policies of the government during the first decade of independence. However, there is still little noticeable change in living conditions as a result of government expenditure. The government was anxious to cut expenses. This hit particularly general social welfare and infrastructure in rural areas with the exception of certain roads. Much money is spent on hotels, government buildings and financial transactions abroad to increase yields on state revenue.

The increase in state revenue from sources abroad is a result of the amount of time spent by state employees on contracts with donor agencies. This allocation of time enforced by the government has its causes but also its effects on development policies. Some obvious causes are:

1. The political weakness of the government makes it difficult to raise state revenue internally.
2. The political weakness makes it difficult to change expenditure policies. Activities by state employees to spend public money mostly meet opposition.
Both the weakness of the government and its general ideology work for revenue raising abroad. Some effects of this are:

1. The government tends to widen its contacts abroad, particularly when faced with internal opposition.
2. The government tends to accept conditions set for increased revenue. Changes in the expenditure pattern have occurred as result of such conditions.

The government strategy has been to get aid from as many Western countries as possible to diversify the risk of foreign political mobilization against donations to Lesotho. The table below gives a picture of the agencies involved in giving aid to Lesotho. They are ranked in their order of importance.

The government's change in foreign policy towards closer co-operation with liberation movements of Southern Africa and the frontline state governments had effects on donor aid. Not only Scandinavian donors and East European governments started to give aid. Also the US and the UN agencies slowly increased development aid.

Maybe unintentionally this reorientation of the Lesotho government was strongly backed by the youth of Lesotho particularly young miners and other migrants with similar experiences as the Soweto young protesters.

From being described as an anti-communist, ultra-conservative regime in 1974 it was possible to describe it as completely the opposite ten years later. Still, this foreign policy image was isolated from practical internal development policies.

Table 5.3. Percentage Distribution of Foreign Official Assistance (disbursements) to Lesotho from Different Donors 1975, 1979 and 1983

<table>
<thead>
<tr>
<th></th>
<th>1975</th>
<th>1979</th>
<th>1983</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>45</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>Sweden</td>
<td>7</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Canada</td>
<td>5</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>United States</td>
<td>5</td>
<td>14</td>
<td>27</td>
</tr>
<tr>
<td>Denmark</td>
<td>4</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Germany, Fed. Rep.</td>
<td>2</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Rep. of South Africa</td>
<td>2</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>International Organizations</td>
<td>30</td>
<td>31</td>
<td>52</td>
</tr>
<tr>
<td>Other bilateral Donors</td>
<td>10</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total Percent</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Total Rand</td>
<td>11,9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total US$</td>
<td>65,3</td>
<td>223,8</td>
<td></td>
</tr>
</tbody>
</table>

Source: UNDP and Planning Office Maseru, and OECD/DAC Figures
Two Examples of Implementation of Government Development Policies

So far we have discussed the declarations of the government on its development aims and some decisions taken in line with these declarations. The government's greatest problem is no longer a lack of revenue or information. It is a lack of implementation of its policies. We have seen earlier that this problem of implementation is crucially related to the lack of political support for the government. This is seen also in the following two examples of the government's development policies. The two examples are financial institutions and diamond mining. The government considers its policies in these two areas as generally more successful than in other areas. The diamonds in Lesotho are the largest known mineral resource, and money is a resource created by the government's policy of revenue raising. Both examples are therefore strategic parts of development policies. I do not, however, claim to give examples of average development policies in Lesotho.

Financial Institutions

Lesotho is not a poor country from the point of view of money. There is a lot of money in circulation. The savings of individual wage earners, co-operatives, commercial enterprises and government, are considerable and progressively growing. But, there is "nowhere to invest it" according to the commercial bankers' estimates. The deposits collected by financial institutions in Lesotho are transferred largely as investment to South Africa. Since there are hardly any institutional arrangements for long-term credits, it is difficult to estimate the potential for a higher return on capital in Lesotho. But lack of savings is not an obstacle to development. It is not the reason for the lack of investment in Lesotho and probably never has been. Capital was also present before independence, but it was transferred mainly to South Africa.

Only in 1974 did Lesotho, on IMF recommendation, introduce legislation on financial institutions. Earlier, banks and other financial institutions operated without reference to any laws. The existing regulations dated from 1865 and 1879. They were generally considered outmoded and unenforceable. An IMF-sponsored Registrar of financial institutions was appointed by the government in 1975. According to him "it will take another ten years to modernize the financial laws of Lesotho, just as lengthy a period as it has taken the South African government-sponsored experts on company law to modernize Lesotho's business laws".

Lesotho had no Central Bank and shared as mentioned a common currency until 1980 (when a Monetary authority was decided and the "Maloti" was exchanged for the "Rand") with the Republic of South Africa and Swaziland. Botswana decided to introduce its own currency in 1976-1977. It was not until 1974 that an agreement was signed between the partners in the Rand Monetary Area.
Still, however, the Customs Union partners are highly dependent on the Rand monetary unit. According to this agreement Lesotho is compensated for the losses made through sharing its currency with the other countries. Lesotho still transfers most of the deposits in the Lesotho banks. Not only the savings of residents in Lesotho but also the funds provided by aid agencies, customs union revenue funds and other funds are transferred to the Republic for investments there. This tendency existed already during the colonial period, but the funds lent out to South Africa are much larger today.

The bulk of deposits in Lesotho is with the three commercial banks: The Standard Bank, Barclay's Bank (both international banks with headquarters in London), and the Lesotho Bank. The Standard Bank established an office in the country during the 1930s and Barclay's Bank set up an office during the 1950s. Both banks were divisions under the Orange Free State branches of the South African Banks. Only after 1973 did the Lesotho divisions of these banks become separate branches under the British mother banks. This was as a result of a new South African law, which forbade foreign divisions of national banks and was not a demand of the government of Lesotho. The new Lesotho branches of the British banks still continued to have most of their contacts with the respective branches in South Africa. The government of Lesotho uses the Lesotho Standard Bank for its deposits. Government revenue includes quarterly customs revenue compensation and the above-mentioned compensation for sharing a common currency as well as aid donations and loans from Western countries and international organizations. Barclay's Bank is the second biggest bank and receives savings from traders and individuals.

In 1972, the Lesotho Bank was appointed by the government to become a Development Bank for long-term credits to develop trade, industry, tourism, mining and agriculture. It never started because of lack of management. In 1974 the government changed its decision. The policy was now to establish a purely commercial bank, including provision for foreign currency operations. The government provided R 1 million in addition to funds transferred from the former Post Office Savings Bank.

The reason given by the government for the new decision was that there was a need for competition in the field of commercial banking. The most profitable operations were to be found on the short-term money market. Such a market had been provided by the Monetary Agreement, which allowed the partners in the Rand Monetary Area to offer short-term credits on the money market of Johannesburg.

In December 1974 the government decided on a law of a "Deferred Pay Fund" (DPF). This system was planned to start immediately, but was delayed a year since there were forceful protests from the mine workers, who were concerned by the decision but not consulted. According to the law suggested by government, the mine workers would be forced to save 60 per cent of their wages in the Lesotho Bank. It was unclear who would get the in-
terest on the money saved, but the savings should be deposited under the contract period and then put at the disposal of the wage earners. Before the decision on a Deferred Pay Fund was taken, the migrant mine workers had on the average saved 60 per cent of their wages, if both the compulsory and the voluntary part of the savings were counted but the voluntary part varied widely. The mining companies administered the compulsory part of the savings which made up about 30 per cent of the wages.

Neither the government nor the workers themselves received interest on this money. As partial compensation for this interest-free loan the mining companies provided health and social services to the workers. These services were stopped immediately as a result of the Lesotho government decision to introduce the DPF system.

When the DPF was announced by the government, the 4,000 workers went home on a week's strike. A 26-man delegation presented a petition to the Minister of Industry and Labour, Joel Moitse, containing the demands of the workers. They demanded:
- A lower compulsory share than 60 per cent.
- An interest not lower than the commercial banks gave and that the money should be lent only to projects approved by the workers representatives, giving employment for wages acceptable to repatriated miners.
- The Lesotho Bank should be separated from the LNDC (the government had planned to make the LNDC a co-owner of the bank and have a common board for the two public enterprises).
- No Deferred Pay Funds were to be lent out to LNDC projects. The workers should be allowed to take out their money whenever they wanted.

The suspicions of the workers were not without foundation. The LNDC had existed since 1967 and had during the eight years of its existence given new employment only to 700 Basotho, according to the estimates of the BFL, at low wages and with an extremely high capital/employment ratio. According to the LNDC itself the increase in employment was 2,000.

In spite of heavy government subsidies, several undertakings had gone bankrupt and managers were accused of having left the country with the cash of the companies. Only a few of the remaining enterprises ran on a profitable basis. Several profitable and more labour intensive firms closed down as a result of repression from the government and competition from subsidized LNDC firms. Paradoxically enough, these demands from the workers favour the generally high demand for capital in South Africa.

Since the workers had to pay costs of health and other services themselves they were forced to save individually or via insurance companies. The Deferred Pay money is lent out by the Lesotho Bank on the Johannesburg short-term money market, to make it possible for the Bank to pay the miners the rate of return which they demand. The Lesotho Bank is forced in practice to lend 100 per cent of the Deferred Payments Fund at an interest rate above that paid for savings deposits. The Lesotho Bank
management has not yet invested in projects giving employment at wages acceptable to the workers. The government has interfered for reasons of security. The Bank's suggestions that money should be invested in co-operatives of the kind started by the BCP was turned down. These co-operatives were closed for political reasons by the government during the late 1960s and in 1970. But the number of credit cooperatives increased steadily, some 85 such cooperatives were registered in 1985.

Table 5.4. Miners Deferred Pay Fund (MDPF) with the Lesotho Bank 1975-84 (Rand and Maloti millions) 120

<table>
<thead>
<tr>
<th>Year</th>
<th>Deferred Pay Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 1975</td>
<td>5.7</td>
</tr>
<tr>
<td>March 1981</td>
<td>22.8</td>
</tr>
<tr>
<td>March 1984</td>
<td>53.1</td>
</tr>
</tbody>
</table>


Deposits in the Lesotho Bank did first not increase by more than a tenth of the expected increase. Estimates made by the Lesotho Chamber of Commerce before the DPF was introduced was that a total deposit of about 50 million Rand would be available at the end of 1975. In October the total DPF was only 5.7 million Rand. Not until 1984 did the Miners Deferred Pay Fund reach 53.1 million Maloti (=Rand). One reason why the DPF was lower than expected was that the workers had success in their demand that employers should make wage payments quarterly, instead of the earlier nine months. Another reason was the strongly articulated opposition against all government activity which led to suspicion towards the Lesotho Bank. The workers transferred their savings to the Standard and Barclay's Banks, which increased their deposits. The "time deposits" in these banks give higher interest rates than the DPF. The workers got higher wages in cash as a consequence of successful strikes in the mines in 1973, 1974 and 1975. There was already a relatively wide spread habit to place money in long-term savings. Deposits of longer than ten years duration are not unusual. 122

The three commercial banks lend out an average of 30 per cent of their deposits to residents in Lesotho. The Lesotho Bank credits amount to a total of 50 per cent of the deposits, excluding the DPF. But since 100 per cent of DPF is transferred as credits
to South Africa, the average for the Lesotho Bank is 30 per cent, the same as for the two international banks during the 1970s.123

Table 5.5. Lesotho: Consolidate Commercial and Bank Statistics. (fin thousands of Rand)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Dec 73</th>
<th>March 74</th>
<th>June 74</th>
<th>Sept 74</th>
<th>Dec 74</th>
<th>March 75</th>
<th>April 75</th>
<th>May 75</th>
<th>June 75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>1,162</td>
<td>422</td>
<td>498</td>
<td>514</td>
<td>1,667</td>
<td>606</td>
<td>689</td>
<td>451</td>
<td>707</td>
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<tr>
<td>Foreign assets</td>
<td>14,599</td>
<td>13,633</td>
<td>12,207</td>
<td>14,865</td>
<td>14,665</td>
<td>9,396</td>
<td>11,408</td>
<td>11,506</td>
<td>12,283</td>
</tr>
<tr>
<td>Claims on statutory bodies</td>
<td>946</td>
<td>1,129</td>
<td>1,936</td>
<td>1,383</td>
<td>1,368</td>
<td>1,412</td>
<td>1,429</td>
<td>2,186</td>
<td>2,096</td>
</tr>
<tr>
<td>Claims on private sector</td>
<td>5,741</td>
<td>6,933</td>
<td>7,562</td>
<td>8,008</td>
<td>9,209</td>
<td>10,229</td>
<td>10,410</td>
<td>10,396</td>
<td>10,616</td>
</tr>
</tbody>
</table>

**Liabilities**

| Demand deposits         | 4,710  | 3,599    | 4,165   | 5,311   | 6,018  | 5,668    | 5,336    | 5,784  | 6,785   |
| Savings and time deposits | 13,386 | 14,632   | 14,412  | 14,491  | 14,920 | 15,115   | 15,469   | 15,792 | 15,730  |
| Government deposits (net) | 1,222  | 2,532    | 4,009   | 5,087   | 6,142  | 337      | 728      | 1,391  | 1,355   |
| Foreign liabilities     | 4,706  | 1,774    | 74      | 374     | 513    | 12       | 603      | 729    | 972     |
| Other items (net)       | 1,576  | 420      | 457     | 495     | 504    | 711      | 1,770    | 843    | 860     |

Source: Registrar of Financial Institutions

Insurance companies and building societies, all South African based124 but with agents in Lesotho, invest almost 100 per cent in the Republic even after 1973, when insurance companies were allowed to invest in Lesotho after a change of law in South Africa. Largely due to the companies own rules requiring that investments should be made in privately owned land, the change in South African law had no effect. The South African private building societies have stated that once a change in Lesotho's land tenure law is enacted, funds will immediately become available. Loans to individuals are at present given for the purpose of urban residential construction. The same practice is applied by the commercial banks. A large number of individuals and co-operatives in Lesotho place their savings in the above-mentioned insurance companies and Building Societies, There are no figures on the size of this kind of deposit but the head of the Lesotho Standard Bank Branch estimated them as "quite substantial".125

This general tendency to invest outside the country was not followed by the Co-operative Credit Unions, which lent out 80 per cent of deposits locally. In 1972 the credit co-operatives had 14,225 members with about R 300,000 in deposits. There were 46 Co-operative Credit Unions in 1972.126 In 1975 the number of credit co-operatives considered as viable had increased to 75. They had joined in a Co-operative Credit League. The exact amount in deposit in 1975 is not known, but according to the Financial Registrar it could not be more than 1 per cent of total deposits.127

Basil Muzorewas' detailed study of financial institutions in the period 1968 to 1972 shows that the co-operatives differed from the commercial financial institutions in their credit pattern. The co-operatives lent out 80 per cent locally to rural inhabitants. They also offered long-term credits to a greater
extent. They gave credits to productive activities within the country as well as to housing.

Table 5.6. Lesotho Co-operative Credit Union Loan Distribution by Purpose

<table>
<thead>
<tr>
<th>Purpose</th>
<th>1970</th>
<th>1971</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount (Rands)</td>
<td>% of Total</td>
</tr>
<tr>
<td>Agriculture</td>
<td>7,323</td>
<td>27</td>
</tr>
<tr>
<td>Trade and Transport</td>
<td>5,381</td>
<td>20</td>
</tr>
<tr>
<td>Building</td>
<td>2,489</td>
<td>9</td>
</tr>
<tr>
<td>Education</td>
<td>2,114</td>
<td>8</td>
</tr>
<tr>
<td>Medication</td>
<td>1,582</td>
<td>6</td>
</tr>
<tr>
<td>Food, Clothing, Furniture and Household Items</td>
<td>4,446</td>
<td>17</td>
</tr>
<tr>
<td>Marriage</td>
<td>1,635</td>
<td>6</td>
</tr>
<tr>
<td>Repayment of Depts elsewhere</td>
<td>942</td>
<td>3</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>999</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>R26,911</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Muzorewa, B.128

Muzorewa draws the conclusion that these Cooperative Credit Unions are the kind of institutions that should get more support from government if its intention is to increase production and incomes within Lesotho.

While 40-50 per cent of the credits from commercial banks went as stock credits to South African Based traders, mostly Frasers and café-owners, who acquired their stock from Frasers, the Co-operative Credit Union channelled credits to housing, small-scale business and agricultural improvements in the rural areas. Although the decision has not yet been taken, the government has declared its intention to take over the control of the Co-operative Credit Union as soon as possible and establish an Agricultural Bank. It remains to be seen if this bank will manage to distribute credits in the same manner and get as many peasants to participate.

Another financial institution not often mentioned is EDESA-Finanz, registered as an investment corporation in Zürich in 1972 and owned in turn by the EDESA-bank in Luxemburg. This investment corporation was initiated by the South African industrialist Anton Rupert, who also initiated the LNDC. Rupert is the largest shareholder, but a number of West-German and other banks as well as the Anglo American Corporation are co-owners. The former Minister of Finance in the German Federal Republic,
Karl Schiller, is the chairman of its board. The former head of LNDC, Wynand van Graan, is the head of EDESA's African branch. After internal opposition against the initial decision of Lesotho's government to let EDESA have its Africa office in Lesotho, this was established in Swaziland. EDESA does, however, have an agent in Lesotho, a former Civil Servant and veterinarian in the Ministry of Agriculture, N.N. Raditapole.

The purpose of EDESA is "to foster economic development in Equatorial and Southern Africa by stimulating private enterprise through provision of finance and know-how". Its policy is to work in partnership with governments and parastatals only to avoid the risk of nationalization. EDESA participates in local enterprises through shares and arranges loans. It expects to have representatives on the board. In Lesotho it is only interested in joint ventures with the LNDC. In November 1975, it still had not participated in any projects. But its main interest was in the mohair export industry. The LNDC signed an agreement with a British-Swiss company in April 1975. According to the agreement signed by F. Schneider, a mohair product importer in Zürich, and R. Seal, owner of mohair processing plants in Bradford (Great Britain), greasy mohair and tops would be imported to Europe and in the near future a processing plant was to be set up in Lesotho. According to the Lomé convention, Lesotho is allowed to export its mohair duty free to the EEC, while for example South Africa has to pay 30 per cent duty. South Africa is the largest mohair exporter in the world and Lesotho the fourth. France, England and other EEC-member countries are the main importers of this mohair.

Although the other parts of the agreement with the British-Swiss company have been fulfilled, no processing plant had been built in 1977. The possibility of channelling South African wool and mohair export via Lesotho's exports to the EEC might be a good reason for the agreement. The government's aim to have a processing industry was, however, not met, nor are there so far any indications that the production from Transkei (South Africa's region for wool and mohair) is being registered as Lesotho's produce.

The existence of the EDESA Bank is difficult to explain. No operations have been registered after the investment bank was established in 1973. One possibility is that EDESA has been set up to secure the continuation of the favourable attitude towards foreign private enterprise and continued exports of foreign currency to South Africa. The foreign currency earned via Lesotho has already become important for the Rand monetary area. In situations of balance of payment crisis in South Africa, this importance increases. A crisis is already envisaged. Severe shortage of foreign currency has started as a consequence of the rapid increase in imports of armaments in connection with the wars in Angola, Zimbabwe and Namibia, at the same time as the exports from the Republic are less in demand. Lesotho's foreign currency earnings via aid and better prices on wool and mohair are thus considered important. According to IMF estimates this had positive effects on the Lesotho government's bargaining potential in relation to South Africa and its industries.
Diamond Mining and Prospecting

According to official statistical sources the deposits of mineral resources in Lesotho are small. The only mineral deposit which has been found worth exploiting is diamonds. UN Statistical Yearbook figures for 1974 show Lesotho as being the 20th largest diamond producer in the world. Zaire, USSR and South Africa are the top three. These countries account for about half of the world's total diamond production of 46 million carats a year. Botswana, Ghana, Sierra Leone and Namibia are also large producers of diamonds. Botswana, a new-comer to the diamond producer's league, produced almost nothing in 1969 but reached a better position in 1974 than Ghana, which in 1969 was placed number four. In 1969, Lesotho was ranked number 13 with an output of 30,000 carats against the world total of 3 million carats. Although Lesotho's diamond exports are small by international standards, they make up an important part of the country's total exports, with only livestock, wool and mohair contributing more.

The government's policy has been to quickly establish a modern diamond industry. However, one multinational company after the other has left after prospection, declaring that it is not worthwhile commencing large-scale mining operations. The small restricted areas where the prospecting has been going on are situated at an altitude of about 3,000 meters in the northern mountainous districts of Mokhotlong and Butha-Buthe. The machines, spare parts and fuel necessary for industrial production require better communications than the present landing strip and the gravelled road, inaccessible at times. Snow covers the area for about three months of the year.

The diamonds are, however, easily transported to the outside world and do not suffer quality deterioration during storage. Almost all registered diamond exports have so far been produced by individual licensed miners, many of whom are women. They dig for the diamonds using a technology which is well adapted to the conditions prevailing in the area. Their tools are pickaxes, spades, water pumps and rotary pans produced in Lesotho. According to a UNDP mineralogist this technology was innovated during the 1960s by one of the surface miners. These diggers operate as private entrepreneurs and pay a licence fee of about three rand annually. The government issues the licence in the form of a contract. It earlier delegated the responsibility of signing contracts to the LNDC. In 1973, however, the government increased its control and transferred the responsibility of signing contracts to the Mining Department within the Ministry of Finance. The LNDC is an independent corporation, although sponsored by the government. The market value of the diggers yield is taxed at a rate of 15 per cent. The individual miner's earnings vary over time from a bare subsistence level to about 100,000 rand per annum in individual cases. One group of 82 miners have joined to form a co-operative and profits are shared between the members. In another case one miner has been able to acquire more tools and a number of self-constructed machines. He has employed about twenty workmen. The rest, both men and women, either work alone or in smaller groups.
Multinational companies have prospected without finding diamond resources worth exploiting. In the very same areas the surface miners find enough to get an income and enough to give Lesotho a substantial export income. How is this possible? There are many possible reasons and here I will discuss four of them:

1. The capital intensive techniques applied by the large companies are less profitable in Lesotho.
2. The type of diamond deposits existing in Lesotho are different from those generally found elsewhere and therefore require a different technology not yet developed by the large companies.
3. The companies do not prospect as the contracts require, but mine without registering their production.
4. The companies sign prospecting contracts in order to restrict competitive companies and control production so that diamond prices are kept at a high level.

The first explanation is plausible since alternative wages for the licensed individual surface miners are low. The costs of their technology are also low. Therefore, they compete successfully with the giant diamond producing companies, although these companies have more capital and larger organizations.

According to a recent UNDP report, the second explanation also holds true. The kimberlite pipes in Lesotho contain many medium and small diamonds. These are found in soft material easily worked by labour-intensive techniques, whereas the machines used by the companies miss many of the diamonds. The technology of the surface miners, therefore, is superior under the prevailing local conditions.

The third explanation was given by a select parliamentary committee, which in 1960, at the request of the BCP, investigated the diamond legislation and contracts with prospectors. A contract had been granted by the colonial government in 1955 to Jack Scott from the General Mining and Finance Corporation in Johannesburg. The committee concluded that Scott had prospected for diamonds from 1955 to 1959 without reporting his finds. a) Scott was using his prospecting licence to exploit diamonds, b) during prospecting he had made a net income of no less than 20 million pounds per annum, c) Scott did not report his findings, d) the government exercised no control over Scott's activities. Scott had left without being charged. Many other companies have prospected after Scott. They have been active without reporting any finds. Legislation has changed to give the government increased mineral rights. But according to rumours circulating in Lesotho, other prospectors succeeding Scott are also mining without supervision.

The fourth explanation might, however, be the crucial one, since international market conditions seem to support it. The multinational companies attempt by various means to restrict individual diggers' production, particularly at times of low demand, in order to keep the price of diamonds at a high and stable level.

The prospecting contracts with Scott, Anglo-American, Rio Tinto, Lonrho, Newmont Mining, and other mining companies have all contained the same clause: the prohibition of mining hitherto carried
out by successful surface miners in the area. In 1968, the year
after the export of diamonds from the individual diggers had risen
sharply, the British multinationals Rio Tinto and Lonrho, not spe-
cializing in diamonds but active in mining in general in Southern
Africa, signed contracts with LNDC for the areas of Letseng-la-
Terai and Mothae. These two areas had earlier been mined by
the individual miners who accounted for all the export of diamonds.
When Rio Tinto and Lonrho moved in, the diggers were expelled
from the areas in question. They left, although under protest,
for new areas - Kao, Lighobong and Lemphane - to which they were
directed by government.148

The Kao area turned out to be highly profitable for the dig-
gers. Production and consequently exports soon rose again. In
Kao alone there were about 3,000 active miners. The production
in Kao and Lighobong in 1969 was 30,000 carats, almost the
highest in Lesotho's diamond history.149 In 1970, only a month
after the coup d'etat, the government announced through the LNDC
that a prospecting contract had been signed for the Kao area. A
new company, Maluti Diamonds, had been established by the LNDC.
Lonrho and the USA-based Newmont Mining owned half of the sha-
res each in this company. For the second time, the LNDC ordered
the individual diggers to move as soon as possible. The miners
now organized a protest action. They occupied the office of the
new company. The company's foreign staff left immediately.150

Other people in the surroundings of Kao were ready to join
the protest. Opposition to the government was already widespread
as a consequence of the coup d'etat and several minor uprisings
had taken place in other parts of the country. Thousands of
people gathered at Kao to discuss and protest against the gene-
ral policy of repression exercised by the coup government. The
protest was, however, specifically directed against the govern-
ment's policy of giving priority to foreign companies at the
expense of thousands of families who lost their incomes. After
the discussion people started to march towards Maseru, the capi-
tal, to present their demands to the government.151 Hundreds of
people joined the march and several police stations in Northern
Lesotho were occupied by marchers, some of whom had armed them-
selves. The police intervened to stop the march. Hand grenades
were dropped from small aircraft flying low over the marchers
and the villages in the neighbourhood of Kao. Between 200 and
500 men, women and children were killed.152 More people were
killed in this incident than on any other single occasion during
the violent year following the coup of 1970.

Not until the end of the following year did it become pos-
sible to carry out the evacuation of the remaining miners from
Kao. They were given a once-and-for-all compensatory payment of
about 15 rand each. They were directed to Lighobong and Lemp-
phane,153 which now provided the total diamond production of
the country; less than one third of the earlier diamond export
income.

The diamond market is remarkably internationalized, as well
as monopolized by the conglomerate of DeBeers. DeBeers was a
company originally established by Cecil Rhodes at the diamond
**Diagram 5.A. Local and International Contractors in Diamond Mining and Prospecting 1964-75 in Lesotho. Source: Annual Reports of the Department of Mine**

**Time**

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</tbody>
</table>

**Export of Diamonds**

- **Quantity Carats (1000)**
  - 40
  - 30
  - 20
  - 10
  - 0

**Employment in Diamond Mining**

- **4000**
  - 3000
  - 2000
  - 1000

1) Local diggers protested and remained until December 1970
2) Removal of diggers from Letseng-la-Terai and Mothae
3) Diamonds from prospections by Rio Tinto at Letseng-la-Terai sold by government
4) Figures of employment before 1970 are not recorded
mines of Kimberly, in the 1870s. It was taken over by the Oppenheimer family which, during the period 1920 to 1959, expanded the company and created the present world monopoly in diamonds. In 1959, DeBeers were successful in breaking through into the Russian diamond market and were able to control Russia's exports.\textsuperscript{154} By 1970 it was generally considered that the only appreciable production outside the control of DeBeers and its Central Selling Organization in London was the Venezuelan production and Russia's production for its home market. About 80 per cent of the international diamond market was then controlled by DeBeers.\textsuperscript{155}

A stable market price for diamonds is considered by DeBeers to be the main requirement for a high profit margin. Price control is facilitated on the one hand by DeBeers co-ordination of the output of several production companies scattered around the world and on the other hand by marketing all products through its own Central Selling Organization (CSO).\textsuperscript{156} In its Yearbook for 1971 the CSO mentions that a problem had arisen with regard to the attempts of some African governments to stop the "co-ordination" of the monopoly. In the words of the Yearbook:

And of course, in the emergent and under-developed countries of Central and West Africa, where diamond production takes place, the guardianship of the CSO over the stability and health of the diamond market is of prime importance. The loss of revenue which these states suffer from illegal mining and smuggling causes their governments to turn increasingly towards the CSO as a body that will help them to get better returns from their local industries; and indeed recent history has recorded several instances where close ties have been established in order to consolidate orderly marketing in these countries. It is a special strength of the Diamond Corporation working in association with the CSO that it is prepared to take the full range of any organised production. No other buyer or potential buyer is so far as we know prepared to compete on this basis.\textsuperscript{157}

The same statement holds true also for "emergent and under-developed countries" in Southern Africa, although diamond producing countries such as Lesotho, Botswana, Angola and Namibia are not mentioned.

According to Harry Oppenheimer, the present chairman of DeBeers Anglo-American and several other large companies:

- A degree of control is necessary for the well-being of the industry.... Whether this measure of control amounts to a monopoly I would not know but if it does it is certainly a monopoly of a most unusual kind. There is no one concerned with diamonds whether as producer, dealer, cutter, jeweller or customer, who does not benefit from it.\textsuperscript{158}

Those ready to accept the conditions of DeBeers and its Central Selling Organization are thus considered to profit from it. However, the conditions are not stated and it is most unclear what happens to those who do not accept the conditions of the monopoly.

The CSO admits that it has its critics. The pattern of world
production has become far more complex and tremendous changes have taken place:

In both old and new diamond areas politics and nationalism have modified the pattern of production and sales; and the participation of individual diggers has greatly increased. In the space of a few years a great world power has become a major diamond producer.\textsuperscript{159}

The USSR is not mentioned by name. It is clear from the quotation that nationalism, participation of individual diggers and the increasingly important role of the USSR both in diamond production and African politics are facts that have changed the pattern of world production with adverse consequences for DeBeers and the CSO.

Through all this the CSO has 'kept it cool', modifying from time to time its tactics but not its aims and purposes.\textsuperscript{160}

Another change of great interest to Lesotho is that industrial diamonds which earlier had a lower price are now fetching the same price as the gemstones, because of increased industrial demand. There is no longer a price differentiation between these types of diamonds.\textsuperscript{161} The years 1970 to 1973 were a period of recession for the diamond industry. DeBeers acted swiftly to integrate and control production in order to "save the market" for diamonds.\textsuperscript{162} In Sierra Leone, mining was checked by police helicopter in co-operation with DeBeers and the government. Several incidents of violence because of repression and uprisings were reported. In Lesotho, the government tried to stop individual diggers by moving them to a less profitable area. Whether this was in the national interest is, of course, disputable.

The Lesotho government's policy is to allow the individual diggers to operate only as a method of finding out where the diamond deposits are to be found. The 1970 Five-Year Plan states that at Kao and Lqhobong:

... local diggers have been working these sites with some success; production from these two pipes in 1969 was nearly 29,787 carats valued at R 1,173,502. This has thrown doubt on the conclusions of the earlier survey, and it seems likely both these pipes could be mined on a mechanized basis by well capitalized companies...\textsuperscript{163}

The diggings were not seen as part of the government's policy to increase employment, and not as part of the government's policy to increase participation in development. Nor was diamond production seen as a way to increase export income, unless the mining was undertaken by "well-capitalized companies".\textsuperscript{164} This policy can be explained by the general reluctance of the government to exercise state control. Instead of controlling the individual diggers, it preferred to let a company exercise control. This idea was strengthened since the diggers did not trust their own government for political reasons. In government circles in Lesotho the diggers are generally considered as "communists".
This label seems to have to do not only with their support of the BCP, but also with their alleged market relations with other dealers than those of DeBeers.165

The anger of about 3,000 diggers from Kao in 1970 was a political factor to be taken into account by the government. The prospecting at Kao never started in practice. When their contracts ended in 1973, Lonrho, Rio Tinto and Newmont Mining left the country. At Letseng-la-Terai, Rio Tinto had found some diamonds. These belonged, according to the agreement, to the government. They were found to have low value, and were not considered worth exploiting.166 However, a few months later they were revalued and their value was now found to be much higher. The Department of Mining, which had now taken over from LNDC, announced that a new prospecting contract had been agreed upon with DeBeers for the Letseng-la-Terai site. Early in 1974, DeBeers also registered a production company and a marketing company in Lesotho.167

In answer to a question in the Interim Parliament late in 1973 about the diamond findings of Rio Tinto at Letseng-la-Terai the newly appointed Minister of Finance E.R. Sekhonyana stated:

With the sudden increase in diamond prices and the revaluation of stones recovered during the Rio Tinto programme, there is possibly a more attractive mining prospect.168

DeBeers declared in March 1975 that they planned to invest 23 million Rand during the following five years in industrial mining at Letseng-la-Terai. 500 workers would get employment, when full operations started in 1977.169

This is the largest single private investment made in Lesotho. DeBeers became at once the largest private enterprise in Lesotho. The government holds 20 per cent of the shares and will derive about ten per cent tax from the yield, in addition to the customs on imported machines. According to the Second Five-Year Plan, the annual income from this mine could reach 12 million Rand. In 1976 one year after the mining had started, but before it came in full operation, the production had only increased slightly and was still only one-third of the 1969 production figure, when the individual miners at the two mines Kao and Lighobong provided the total export.170

Let us consider for a moment what interest DeBeers could have in establishing a production and marketing company in Lesotho. Attempts from various competitive interests to put pressure on the monopoly is one possible reason. The underdeveloped countries have started to co-operate on the pricing of other raw materials like oil and copper, for example. The risk of similar co-operation in the diamond market is apparent. One possibility is, of course, that new deposits of diamonds have already been or may be discovered, which could make industrial production and the building of roads commercially viable. But it is also likely that other circumstances have been important for DeBeers's decision. The company regards the increasing uncontrolled production by individual miners as an irritating development, particularly since the international market is unstable and supply is generally larger than demand.
The existence of alternative employment for migrant workers is generally considered as negative by the employers in South Africa. These employers have an interest in keeping the wages of workers low. The low wages of migrant workers have for a long time been an efficient way of holding down the wages of black workers. DeBeers and Anglo-American employ about 80 per cent of the migrant miners from Lesotho. 171 Control of alternative employment opportunities provided by diamond digging is therefore in the firms' interest apart from their interest in the diamond monopoly. Strikes in the South Africa by the migrant workers took place, as we know, throughout the period 1973 to 1975.

The Lesotho government's policy has also changed slightly since the diggers started organizing themselves and stating their demands. The government was for the first time, at least in the Second Five-Year Plan, ready to give the diggers a special site. The Kao area was to be reserved for 300 individual miners, beginning some time during the plan period of 1975 to 1980. 172 For the first time the government had maximized the number to be allowed as diggers and for the first time the technology of the diggers was admitted to be superior, at least at Kao, where it was believed that the kimberlite pipes contained particularly soft material. The government had earlier provided the diggers at Liqhubong and Lemphane with loans totalling 22,000 rand for better equipment and water supplies. This small sum of money was to be paid back by the miners themselves. 173 However, it was the first time that the right of at least some diggers had been admitted as part of the development plan.

The African governments have, according to DeBeers, a vested interest in prohibiting their subjects from competing with that company. Is this true in the case of Lesotho too? What made the Lesotho government conclude an agreement with the monopoly? Many people in government circles in Lesotho have a view of development which equates mechanized production with economic progress. They regard the selfmade rotary pans and other tools of the diggers as symbols of backwardness. They also estimate the loss of employment to be low.

It is considered more convenient for the government to let a large company take the responsibility for the co-ordination and security aspects involved. The possibility of getting state revenue (and customs revenue on imported machines) without the trouble of controlling the many small diggers is seen as positive. The diggers are also politically critical of the government.

Notwithstanding the government's sympathetic attitude to DeBeers, there is some opposition within the administration declaring itself to be in favour of independent diamond miners. By permitting diamond prospecting and mining over wider areas and by a virtually free-for-all issue of licences, it would be possible to provide income and employment to thousands of people in Lesotho.

According to a UNDP report there are probably many areas where diamond mining on the same small scale as at Kao would be profitable. One way of providing an income for thousands of the pre-
sently unemployed would be to open up much larger areas for exploitation. But this would not be economically viable from the point of view of DeBeers monopoly. A major question to be answered is how the dominating circles within the government, who argued for the agreement with the giant DeBeers concern, will in the long run react to the country's constantly growing problem of employment. How much room for maneuver for the government will remain after it has allowed the monopoly not merely to operate in part of the country but also to sell all the country's production of diamonds, including that of the 300 diggers allowed to operate individually.

Conclusions

The aim of economic growth has often been stressed by the Lesotho government in its development policy declarations. It is vaguely understood as overall growth in the Gross Domestic Product. Such statements have become less frequent than before and it has become clear that GDP probably has not grown in real terms during the first decade after independence. Instead, there is increasing emphasis on the expansion of specific sectors of the economy.

The strategy for development is 1) to demand aid from as many international organizations and donor agencies in Western Europe as possible 2) to encourage multinational corporations to invest in the country 3) to work for inter-governmental procedures giving Lesotho a better opportunity to have a say in decision making concerning its development.

The aim of the Lesotho government's development policies has been to integrate Lesotho with the streams of capitalist expansion. Resources that were earlier left idle in Lesotho would be exploited by lifting restrictions on the flow of capital and labour. Some encouragement to multinational firms was, however, thought necessary.

The activity exercised by the government in foreign relations is not matched by activity in internal affairs. The government has declared its intention to remain passive in its public policies. This intention is reinforced by the forceful opposition that meets almost every attempt by the government to implement its policies.

The opposition reactions to the government's development policies have concerned neither its stress on expansion of foreign aid contacts nor its stress on increased state revenue. What is mainly criticized is the low priority given to jobs and the high priority given to capital as the motor of growth in production.

A clear change in the pattern of production in Lesotho's small internal economy that is consistent with declared government policies can be distinguished. Although the economy as a whole probably has not grown at all, growth has taken place in the sectors of tourism, construction, manufacturing and commerce. Productivity has increased in the production of livestock (including wool and mohair) and cash crops. Trade in agricultural pro-
duce has also become more efficient. Total agriculture production has continued the steady decline that started as early as the 1930s. The export share of crop production has increased markedly. The result has been that food aid and the import of foodstuffs have increased rapidly.

Government development policies have not prevented a growing share of the population migrating to work in South Africa.

Employment decreased after 1970, particularly in agriculture and diamond mining, when the government stopped labour-intensive mining and when measures taken to increase agricultural productivity started to give results. Employment has increased slightly in tourism, handicraft, construction, commerce and a few small manufacturing assembly plants. But this increase in production has only been able to meet a small share of the demand for jobs.

The government has had success in raising state revenue. This is an important economic condition for future development policies of any kind. There is more money in circulation: larger imports than before, larger donations and credits, larger customs revenue, currency compensation and increased control of migrant workers' savings. So far much of this new money reaching Lesotho is not channeled into internal activities, but largely transferred to South Africa and Europe to give the government a high interest on its money resources. This pattern, already established by the financial institutions during colonial times, is becoming more pronounced as more money is being saved. Although Lesotho did not have a currency of its own, the country was forced to place some reserves. These reserves are larger now than they were during the post second world war period. At the end of the first decade of independence, the government had acquired skill in placing its money where the interest was highest.

Instead of starting a development bank which could have focused on longterm savings and investments within Lesotho, a commercial bank was established which was able to speculate on the international market. At the same time as the government has been cautious not to take any risks in creating employment within the country, it has appeared as a skilled speculator in financial affairs.

When the government attempted to raise more funds by forcing the migrant workers to increase their savings in a special fund in the Lesotho commercial bank, the workers protested. They turned down the government plan to give the Development Corporation a fund for industrial investments in joint ventures with foreign capital. The migrant workers did not trust their home government. The most important effect of the establishment of a forced savings scheme in Lesotho is the fact that the government and the workers are for the first time put in direct contact with each other. As long as both the government and the workers prefer a higher interest on their money than they can get through cooperation with the other party and as long as they continue to be suspicious of each other, the transfer of the workers' savings to other countries will continue. The workers have no reason to support joint ventures between the government and foreign capital that will not give them or other people in Lesotho better
living conditions. The government has no reason to support repatriation of migrant workers who are both opposed to government and well organized.

Remarkably little of the new state revenue has resulted in increased local incomes. Corruption within agricultural projects is a problem that the government has not yet started to deal with. State employees and field personnel run tractors and spread fertilizers and crops over their own and their neighbours' fields. Who actually gains from this process remains to be investigated.

Lesotho had, already during the period described in this book, embryonic elements of a national bourgeoisie. This is rapidly growing and is indeed worth a study. The only income possibilities outside migrant wage labour and state employment is livestock. In the parastatal sector of livestock and to some extent crop exports we might find a group emerging with a national interest in conflict with foreign capital interests. Import trade is monopolized by the British-South African firm Frasers. The government has taken over the export trade in line with a similar policy change in South Africa.

It can hardly be argued that private foreign capital has expanded in Lesotho via investments to any large extent, the only exception being diamond mining. Private foreign capital has expanded through the provision of know-how, technology and management, whereas the government of Lesotho has raised funds via foreign and international aid agencies.

At the same time as some sectors of the economy have expanded, they have increasingly come under the control of foreign private capital. But the pattern is not the same in all sectors. Trade in livestock remains to be more thoroughly investigated. Land is still collectively owned and cattle is relatively evenly distributed among the citizens of Lesotho. The goods produced, however, can only be marketed with the help of know-how and through the markets controlled by foreign multinational buyers. The conditions of work of the many small export producers have changed largely without the participation of the Lesotho government. The three largest mohair and wool exporting countries have started to co-operate. Although Lesotho does not participate, it has gained from the results of this co-operation. More stable and slightly higher prices are paid also to the Lesotho producers, although higher costs of living have consumed this price increase for most of the small producers. In Lesotho the main interest of foreign capital is migrant labour. The country's role as a labour reserve has become more important during the decade after independence, since other important labour reserve countries such as Zambia, Malawi and Mozambique have gradually left this market. Rhodesia is the new large competitor in the export of labour to South African mines. Although the export of migrant labour from the Transkei was large earlier it has also increased. The South African mines have at the same time decreased their general dependence on migrant labour. Wages in kind have been transformed into wages in cash. Welfare services earlier provided by the mines are now left to the Lesotho government. It is uncertain if the large nominal wage increases have led to better
living conditions for the migrant workers.

One possibility for a government without internal political support to remain in power is to rely on external support. The Lesotho government has managed to get such foreign support. Although it has had little success in raising private capital it has been able to raise aid funds and to get support in the form of international political legitimacy.

The government of the enclave state Lesotho has established itself as a decision-making unit with its own interests and goals. The South African government has tolerated its continued existence not only because of the reactionary political ideas and minority character of the regime but also since increasing conflicts within South Africa itself and radical changes in other parts of Southern Africa have given the Lesotho government new scope for manoeuvring and bargaining with the South African government. There are areas of conflict between the Lesotho and South African governments, particularly concerning the speed and the type of industrialization in Lesotho. Multinationals in Taiwan and Japan are ready to establish labour intensive industries. Through what pressure against the workers will the Lesotho government be able to reach it aims to establish co-operation with these countries and their corporations? So far the migrant workers have not been ready to accept co-operation with their home government, and the government does not believe that it can control its labour force within the country.
6 Final Comments

The problem of dependence is one of the most pressing problems affecting development in Lesotho. In the preceding chapters the specific mechanisms of dependence in that country have been analysed in detail. The resulting internal conditions have created new conflicts in Lesotho, aggravated by the whole Southern African conflict. However, conflicts do not prevent change, but often make up the very dynamics of change in the longer run. In Lesotho it is clear that the establishment is weak and maintained through forceful support from external sources. Thus, the Jonathan regime was established with the assistance of personnel from the Adenauer Foundation, British aid topping up salaries of policemen from Britain in charge of the Lesotho police at the time of the coup. Of strategic importance was also the assistance of arms from the Republic of South Africa as well as statements made from the Republic of South African Broadcasting System in favour of the regime in 1970. This positive attitude changed however slowly during the following decade, when it became clear that the Jonathan regime was able to defend an independent foreign policy.

The regime was maintained through sometimes violent repression. Such repression was not continued in the longer run. Instead a broader political base was established, both internally through dialogue with opposition groups, and abroad through international co-operation with countries outside the region of Southern Africa (both East- and West-oriented regimes).

Although the problem of dependence is extreme in the case of Lesotho and reproduced in new forms, this is not a problem that is unique to that country. On the contrary it is a problem that is an urgent one in all the underdeveloped countries of the Third World. Keeping in mind that there are distinct types of dependence relations, the labour export type of relation in Lesotho being one such type, we will now turn to the general questions raised in the introduction.

In the preceding chapters we have compared actual political conditions in Lesotho with six general tendencies derived from the theoretical literature applying a dependence approach to the study of underdevelopment and development. These six important tendencies have been selected among those upon which there is a measure of consensus among scholars applying a dependence approach. It is clear from the comparison that there is agreement between the expectations of dependence theoreticians and the reality of Lesotho
On the other hand, it is also clear that the agreement is not total. One conclusion of my study is in fact that predictions generated by the dependence approach have to be qualified by reference to historical periodicity and the political struggle in the country under study.

Which of the six tendencies were found to prevail in the case of Lesotho during the period 1960–75? Table 6.1. should not be interpreted as a schematic answer to this question. Each of the points of comparison requires separate examination and comments.

The diversification of production has increased rather than decreased and production has become rather less disintegrated than before, mainly as a result of the government's attempts to transform the structure of production. Since economic production in Lesotho is extremely small, these tendencies resulted in minor changes in society as a whole. It is important also to remember that decreasing diversification and increasing disintegration of sectors of production were noticeable during earlier periods in history.

<table>
<thead>
<tr>
<th>Tendency often associated with dependence</th>
<th>Found in Lesotho</th>
<th>Not found in Lesotho</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Decreasing diversification of production</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Increasing disintegration of sectors of production</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2. Increasing inequalities in welfare</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Increasing inequalities in income and wealth</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>3. Decreasing power base of the state</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>4. Increase in the size of state institutions</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Increase in the scope of state activities</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>5. Increasing foreign control of human and material resources</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>6. Increasing emphasis on economic growth in government declarations</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Failing economic growth</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

If we take a closer look at recent contributions to dependence literature, these tendencies are described as typical of the periphery during an earlier period of world capital accumulation. On the basis of my findings we can, therefore, raise the question whether dependence during the specific period under study (1960–75) is associated with tendencies in the structure of production dif-
ferent from those indicated in the main body of the *writings* of the dependence school also in extremely poor and dependent countries. We can also raise the question whether Lesotho will find a higher ranking position for itself in the international capitalist system if relations between capital and labour change in Southern Africa. Opposition by striking workers from Malawi, South Africa and Lesotho as well as political changes in Mozambique, Angola, Namibia and Rhodesia have probably weakened the capital side in relation to labour. Has this given Lesotho a more important role as a labour exporter and does this new role now include the possibility of industrialization in Lesotho?

No definite tendencies of increasing inequalities in welfare and income have been found during 1960–75. Such changes during the following decade are, however, noticeable. Public services have decreased in real terms. The structure of wealth distribution became for the period 1940–70 more equal than before, but at a very low level. Land holdings and cattle were more equally distributed. But because of populations growth each land holding is smaller than before. As stressed particularly in chapters 2 and 5, those who had access to means of scientific farming and livestock production have been able to increase their agricultural incomes, e.g. state employees with land holdings. Those without this opportunity have been forced in increasing numbers to seek their incomes in the mines and industries of South Africa.

Still, this conclusion has to be approached with considerable caution. There is a possibility that the difference between the wages of the migrant workers are much greater than is generally believed. If, in fact, many Basotho work under exemption rules as skilled labour in South Africa the income distribution is in reality less equal.

The general socio-economic structure is, however, changing in new direction. The pattern of income distribution changes slightly if we include the fact that Basotho have replaced the earlier high-income colonial officers and the fact that a growing number of foreign technical personnel both of multinational firms and international and foreign aid agencies are in Lesotho. The latter are on short-term but favourable contracts. Earlier tendencies in the direction of new bourgeois groups emerging were, however, halted. We have seen, for example, that the commercial farmers and the village chiefs were deprived of their incomes during the 1930s and 1940s as a result of successful demands from South Africa's white farmers and mining companies. We have raised the question whether the situation in Southern Africa has changed so that the new bourgeois groups grow in Lesotho as in other newly independent states.

The size of the power base of the government increased during the period 1960 to 1965, but decreased again thereafter. This conclusion can be drawn from the patterns of voting and popular protests. Popular participation became more widespread than ever before, at least since colonization. Support of the government was rather broad until the coup in 1970, when a majority government was prevented from taking control. A coup government in
conflict with the majority party is - as we have seen - more ready than a popularly based government to listen to foreign supporters. We might pose the question, therefore, if there is a tendency for foreign capital to support a minority government, since such a government might be more ready than a majority government to accept conditions even contrary to the interests of the internal groups supporting the government.

Surprisingly enough, state institutions did not grow in size in the sense of an increasing number of state employees during the period 1960-75. This is otherwise believed to be a political condition for foreign penetration through capitalist expansion. During the period 1960 to 1973 British aid was given on the condition that the number of state employees should not expand. This condition was set to safeguard the British taxpayers' money. Similar lines have not been followed in other former British colonies but in Lesotho, however, they were both applied and carefully followed. A large number of government employees, mainly field personnel, were in fact later dismissed for security reasons and their posts remain vacant. Although the number of policemen increased more than ever before, the total number of state employees did not increase more than a few per cent yearly. The number of state employees in relation to other local employees did not change. State employment even decreased in relation to migrant labour. The responsibilities of the state, however, grew quickly after independence. Not only did the state intervene in new economic areas, nationalizing trade in livestock and crops, and participating in joint ventures with foreign interests in tourism, mining and industry, but it also increased its responsibilities in, for example, education and banking, fields which had earlier been left to the missions and private financial institutions respectively. The scope of state activity grew as the state received added importance within the society. The state also got increased revenue.

Foreign dependence clearly increased, mainly via Western European aid assistance to the state budget, but also via increasing control exercised by the management of foreign companies and subsidiaries of multinationals. Diamond mining was taken over by De Beers, as late as in 1975. This was only after long and forceful protests from the thousands of diamond diggers. The diggers had lost their employment already earlier as a result of the take-over by Lonrho and Newmont Mining, other multinationals who were allowed by government to prospect in the diamond areas. In 1975 De Beers got both mining and trading rights. The government thereby in effect transferred its potential control in this important sector of the economy and at the same time lost an opportunity to increase employment. De Beers is not only the largest diamond firm in the world and a near monopoly, but through the interlocking holdings of De Beer and Anglo-American it shares in the control of employment of Basotho labour in South Africa. The Oppenheimer concern, including De Beers and the Anglo-American Corporation, is by far the largest employer of workers from Lesotho as well as the largest South African company. Tourism, the
main expanding sector, was managed by multinational firms such as Holiday Inn and Hilton. There are also other examples of transfers of responsibilities to foreign firms and foreign aid agencies. In some villages the committees and co-operatives were replaced by aid project administrators and government-dominated representatives, often a village chief. Thus some of the chiefs were given new importance in aid administration and food aid distribution in particular.

There is a clear emphasis on economic growth in many government declarations when development policies are specified. It is not difficult to see similarities between government policies and the policies demanded by foreign firms who want to establish themselves. It is, however, not clear if the similarity is the result of pressure from firms wanting to invest in Lesotho. The causal relation might well be the opposite. The Jonathan government, in its attempts to find allies abroad and bring new capital to Lesotho, has attempted to formulate policies favourable to foreign capital investment. Possibly we could say that declarations on general economic growth as the main goal have become less frequent and explicit during the period 1970 to 1975. This is partly a result of political opposition and partly that of actual stagnation in the general output of production in Lesotho. During the latter part of the period under study more emphasis is given to economic growth in sectors which had experienced some expansion. International acceptance has also been possible to find through other diplomatic methods.

The clearly unequal conditions under which Lesotho was linked to the capitalist international system were established successively through military intervention and colonial take-over of local trade (1880s) and through the prohibition of agricultural production (1935) during the colonial period. The effect of this colonial intervention was a political and socio-economic structure where British and South African traders, foreign missionaries and, until the second world war, local chiefs, served colonial interests and controlled the other sections of the population. The rest of the population served colonial interests by becoming migrant workers in South Africa, mainly in mining. After the colonial society was established they had few alternative income possibilities at home, the main but limited exceptions being in mohair/wool production, diamond mining and lately tourism.

Today there are fewer employment opportunities within Lesotho than ever before. In actual fact, the workers have been forced by their own government to continue to work in increasing numbers in South Africa. During the period of 1960 to 1975 the workers have been more active than before in articulating their views on the policies of their home government. The government has adapted its policies to the workers' demands but has not increased its legitimacy in the eyes of the workers. The development strategy was criticized by the BCP and the trade unions as a strategy not meeting the needs of the majority of the country.

When we take into account the atypical enclave character of the Lesotho society and the political struggle going on in the
surrounding country, it is easy to understand that the struggle for political rights is also a struggle for better living conditions in the long run. In the present case this involves a struggle against the bourgeoise of South Africa and is part of an international movement. A change in the power structure in South Africa will have crucial effects on Lesotho. But, on the other hand, a change in the power structure of Lesotho would probably also have effects on South Africa.

Throughout this study we have found signs of changes in the structure of the political parties, state institutions and development policies. How have these changes affected Lesotho's dependence? Organizations covering only Lesotho have been centralized and strengthened. Communication with foreign organizations thus takes place increasingly at top level. The polarization of the party conflict increased rather than decreased, although the situation has been less clear during recent years. After independence the government reduced the effect of some of the earlier exploitation, in the sense that there is now good compensation for participation in the common customs and monetary union with South Africa. Aid to the country is relatively very large. Without changing the forms of the relation with South Africa, Lesotho has increased its state revenue. New forms of money transfers from Lesotho to South Africa have, however, been established. The introduction of a government-controlled migrant wages savings scheme was one such form. The resources at the disposal (at least formally) of the government have efficiently been retransferred to South Africa, with little resulting improvement for the inhabitants of Lesotho.

The relation between parties in Lesotho expresses the dependence of the country on South Africa. Lesotho is integrated into South Africa on both sides of the conflict raging within South Africa. The two largest parties in Lesotho are affiliated with different sides in exploitative relations in South Africa: the side with an interest in status quo and continuation of the migrant labour system and the side interested in social transformation including a change in the migrant labour system. The conflict between the two large parties in Lesotho became increasingly polarized during the period under study. Neither party has allowed its opponent to implement its development goals.

The development policies of the parties are related to their attitude to South Africa. The BCP is clearly for a change in the social structure as a condition for improvements in living conditions in the long run, whereas the BNP strategy is to let others work to change the South African society and in the meantime work for better living conditions, at least for a few, within the framework of the existing system. The BCP in turn considers such a strategy to be in support of continued status quo.

Through its very character the enclave state of Lesotho is the object of conflicting interests in South Africa, involving worldwide interests i.e. those aiming at status quo in South Africa and those aiming at introducing majority rule - the latter implying transformation of the exploitative character of the apart-
heid system. The awareness among people in South Africa has increased so that it is probably no longer possible to introduce majority rule without resulting in a radical change in the socio-economic structure.

In South Africa the migrant worker is still an important factor in the growth policy of the government, and thus the keeping of migrant labour system is sustaining the present type of rule. A growing awareness among the governments neighbouring South Africa has resulted in their adoption of two different strategies:

1. Withdrawal step by step of the migrant labour force with the double aim of putting pressure on South Africa and meeting internal demands to employ the citizens of the country at home.
2. Increased migrant labour export exploiting the opportunity for government earnings, i.e. taxing the workers, forcing them to save their wages in their home country and if possible bargaining for higher wages with South African employers.

Lesotho and Transkei employ the latter strategy, whereas Malawi and Mozambique have chosen the former. We can only speculate about which one of the two strategies results in the greatest improvement in living conditions. There are strong indications that "take-home" wages for the workers from Lesotho have increased and employment in South Africa has increased, whereas the former migrant labour forces from Malawi and Mozambique are both lower paid and risk unemployment in the short run. Clearly, if Lesotho had followed the same strategy as Malawi and Mozambique, the economic return for the workers would have been less. However, wage increases as well as the increased employment of workers from Lesotho are results of strategy 1 above, since strikes and withdrawal of migrant labour were important reasons for the employers to increase wages. Another important reason was that the employers had to increase wages to attract South African workers to the jobs left by workers from Malawi and Mozambique. Strikes by workers from Lesotho (not sponsored by the Lesotho government) also added to the pressure put on South African employers. Thus in the short run, the Lesotho government has slightly improved living conditions for its nationals, if these are measured in terms of money and if the loss of compensations in kind the negative effects of migration are disregarded. Consequently, strategy 2 is only applicable if strategy 1 is applied first. Strategy 2, however, counters the aims of strategy 1 since it weakens the pressure against the South African economy.

The Lesotho society is now more efficient in the sense that the mechanisms of exploitation and repression have become streamlined, The migrant labour character of the Lesotho society has been accentuated, local leaders have taken over the responsibility for repression from the colonial government, and the resources accumulated by the Basotho are transferred abroad through new monetary channels. The Lesotho government is skilfully utilizing the double aims of aid donors. The multinationals of the donor countries with an interest in South Africa are anxious to remain in South Africa while improving their image among critics. The
Lesotho government demands compensation for potential trade and investment boycotts, while inviting the subsidiaries of the multinationals in South Africa to move across the border to Lesotho but still remain within the same monetary and customs union.
Appendices

Appendix I: Results of the General Elections in 1965 and 1970


<table>
<thead>
<tr>
<th>Districts</th>
<th>Number of constituencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCP</td>
<td>8</td>
</tr>
<tr>
<td>RNP</td>
<td>4</td>
</tr>
<tr>
<td>MFP</td>
<td>2</td>
</tr>
<tr>
<td>Maseleng</td>
<td>3</td>
</tr>
<tr>
<td>Butha-Buthe</td>
<td></td>
</tr>
<tr>
<td>Berea (TY)</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: Bureau of Statistics 1970

Ib: Votes and Seats in the General Elections 1965 and 1970

<table>
<thead>
<tr>
<th>Votes</th>
<th>Seats</th>
<th>Share of votes %</th>
<th>Change in share of votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>BNP</td>
<td>108,162</td>
<td>127,410</td>
<td>31</td>
</tr>
<tr>
<td>BCP</td>
<td>103,050</td>
<td>151,868</td>
<td>25</td>
</tr>
<tr>
<td>MFP</td>
<td>44,837</td>
<td>16,582</td>
<td>4</td>
</tr>
<tr>
<td>BCP and MFP added</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>independents</td>
<td>5,776</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Independents</td>
<td>1,198</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>UDP</td>
<td>-</td>
<td>564</td>
<td>-</td>
</tr>
<tr>
<td>CPL</td>
<td>?</td>
<td>68</td>
<td>0</td>
</tr>
</tbody>
</table>

Total | 261,825 | 297,690 | 60 | 60 | 100 | 100 |

1 According to Macartney's figures the BCP got 49.8 percent of the votes
2 The only constituency where the BCP did not stand for elections


**General Elections in 1965**

**Constituencies 1965**

<table>
<thead>
<tr>
<th>No.</th>
<th>Constituency</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Matsaing</td>
</tr>
<tr>
<td>2</td>
<td>Hololo</td>
</tr>
<tr>
<td>3</td>
<td>Tsime</td>
</tr>
<tr>
<td>4</td>
<td>Lipelaneng</td>
</tr>
<tr>
<td>5</td>
<td>Malibamatšo</td>
</tr>
<tr>
<td>6</td>
<td>Kolberg</td>
</tr>
<tr>
<td>7</td>
<td>Pelea-tšoeu</td>
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<tr>
<td>8</td>
<td>Mphosong</td>
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<tr>
<td>9</td>
<td>Qoqolosing</td>
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<td>10</td>
<td>Likhakeng</td>
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<tr>
<td>13</td>
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<tr>
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<td>Phuthiatsana</td>
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<tr>
<td>15</td>
<td>Koeneng</td>
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<tr>
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<td>Mosalemane</td>
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<tr>
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<td>Malimong</td>
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<td>Berea</td>
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<td>22</td>
<td>Senquanye</td>
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<td>'Maletswanyane</td>
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<td>24</td>
<td>Makhaleng</td>
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<td>25</td>
<td>Thaba-putsoa</td>
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<tr>
<td>26</td>
<td>Thabana-li-&quot;Mele&quot;</td>
</tr>
<tr>
<td>27</td>
<td>Thabana-ntšonyana</td>
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<td>28</td>
<td>Matela</td>
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<td>29</td>
<td>Maama</td>
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<td>31</td>
<td>Qeme</td>
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<tr>
<td>32</td>
<td>Maseru</td>
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<tr>
<td>33</td>
<td>'Masemouse</td>
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<tr>
<td>34</td>
<td>Makelapetsane</td>
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<tr>
<td>35</td>
<td>Mount Olivet</td>
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<tr>
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<td>Monkhoaneng</td>
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<td>Halinyane</td>
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<td>Qalabane</td>
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<td>Thaba-Phechela</td>
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<td>40</td>
<td>Tšoaling</td>
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<td>Lihloeloeng-Metsoku</td>
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<td>59</td>
<td>Popa-Linakaneng</td>
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<td>Khubelu</td>
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*Note: The diagram illustrates the boundaries of the constituencies.*
General Elections in 1970

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<tr>
<th>Constituency</th>
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Legend:
- BNP
- BCP
- MFP
Notes

1. INTRODUCTION (p. 1 - 10)


5 See note 3.


7 Laclau, E., "Feudalism and Capitalism in Latin America, New Left Review", no. 67 1971, argues that Frank overestimates the impact of capitalism on the hierarchical structure of the international world order. The rapid increase in inequalities between the different parts of the international system are, however, well documented.


11 Accumulation..., vol. 11, Afterword to second edition, p. 603. Most of the critics of Amin have expressed themselves only orally at seminars, for example at the Dar-es-Salaam Conference mentioned in note 9, See also paper by Wuyts, M., On the Nature of Underdevelopment: An Analysis of Two Views on Underdevelopment, (mimeo) Economic Research Bureau, Dar-es-Salaam March 1976. There is also a political criticism directed towards regimes utilizing the results of the research done with a dependency approach, particularly research on trade and investment relations. The criticism is against the lack of distribution of the fruits gained in bargaining as a result of increased knowledge and thus not a criticism of the research itself.


14 About 100,000 were recorded as recruited only to the mines via the South African recruitment offices in Lesotho, in 1972. (Annual Statistical Bulletin 1975, Maseru). At the same time about 270,000 men were economically active (First Five-Year Development Plan, Maseru 1970). The proportion was higher in 1976 although the labour force had increased. See chapter 2 for details.


18 According to Proclamation 400 a state of emergency has been in force in Transkei since 1963. Other laws with an impact on political research are for example Suppression of Communism Act no. 44 1950, Unlawful Organizations Act, no. 34 1960, Terrorism Act no. 83 1967.


21 See note 19.


2. SOCIO-ECONOMIC CHANGE (p. 11 - 35)

1 Wallensteen, P., Dealing with the Devil: Relations between South Africa and its Neighbours, Department of Peace and Conflict Research at Uppsala University, Uppsala 1971.
3 Statement by Head of Chamber of Mines, The Guardian, 23 March 1973
5 Ibid. p. 6.
8 C. Hellman, Leribe Pilot Agricultural Scheme, August 1974, and Interviews with Project Employees of Khomokhoana (Leribe) and Thaba-Bosiu Agricultural Schemes in November 1975, and Per Sørensen, FAO-employee 1970 in Lesotho (field worker), introducing fertilizer.
11 See note 5.
12 See note 9, p. 12.
13 Figures given by Roger Leys, see also his paper Labour Migration, Lesotho IDR, D 75,1, Copenhagen 1975, p. 7.
14 See note 9, p. 101, Appendix I.
16 Thaba Bosiu Rural Development Project, Evaluation Study No 1, Maseru April 1975 (Provisional Results, later confirmed), Table 3, p. 3.
17 See note 8, C. Hellman, figures confirmed by A. Lexander, Maseru Nov. 75. (Agricultural sociologist who has undertaken studies of for Thaba Bosiu (foothill), Thaba Tseka (mountain), and Leribe Khomokhoana (low-land areas).
23 The keeping of cattle is mostly considered as a medium of saving in underdeveloped and dependent countries. Since the mid-1800s Lesotho has exported wool and mohair to Europe. Purchase of cattle is considered as an investment by large groups in Lesotho.
24 IMF, see note 9, Table 10, p. 16.
27 Germond, R.C., Chronicles of Basutoland, Morija 1967, p. 325. One bag (miud) contained 185 lb.
28 Journal of the African Society 1903, p. 209, Lt. Dryndale: "on entering Basutoland from the Orange River Colony, one is much struck by the ferti-

29 The Friend of the Free State, quoted by Leselinyana, February 1870 and in Germond, R.C., see note 27, p. 319.

30 Ibid. p. 319.

31 Letter from P. Germond, Thaba Morena, March 1887, quoted in R.C. Germond, see note 27, p. 469.

32 See note 13.


34 In 1912 the Chamber of Mines established the Native Recruiting Corporation (NRC) to recruit labour and control wages for mine workers from South Africa, Basutoland, Bechuanaland and Orange Free State. This organization still exists and has the same function. After 1976 it is called Mine Labour Organization, (MLO). Already in 1900 the Chamber of Mines (itself founded in 1899) had established the Witwatersrand Native Labour Association (WENELA) to recruit from Mozambique, Malawi, Rhodesia and Angola.


39 Ibid., Letter from J.C. Smuts, Minister of Justice in the Union of South Africa, 28 July 1933.

40 Ibid., "Aide-mémoire to the South African Ministry of Native Affairs" from W. Clark, the British High Commissioner to South Africa (administering Basutoland, Bechuanaland and Swaziland, which were all called the High Commission Territories) July 1st 1935. See also Morris, Mike, The Development of Capitalism in South African Agriculture, Marxistisk Antropologi, Vol. 2, Nr. 2-3, 1976.


42 An attempt to give a more critical view of the history of colonization and the period before the arrival of the colonizers is found in Oxford History..., see note 26. This was published with 30 blank pages in South Africa.

43 Keen, Kerstin, Two decades of Development in Basutoland 1830-1850, Bulletin of Department of History, University of Gothenburg 1975.

44 See note 26, Part I, p. 131.


49 Ibid., Vol II, p. 142.

50 Ibid., p. 143, and Borcherds, P.B., An Autobiographical Memory, Cape Town 1861, p. 83 and 124 (The first written records of an eye-witness).
3. POLITICAL PARTIES (p. 37 - 76)

1 All recruitment firms with offices in Lesotho are South African. Most of these offices belong to the Mining Labour Organization (MLO) of the Chamber of Mines (former Native Recruitment Organization, NRC). Also the Labour Office, set up by the government in 1933 (Basutoland 1935, and 1953 H.M.S.O. London) in Johannesburg, expanded after independence. This Office provides social services and communication facilities for migrant workers and their families.


5 Election Statistics 1965 and 1970 (reported over the Lesotho Police Radio before the Coup), see Appendix I. Macartney, W.J.A.

6 Articles by G.M. Kolisang and others in Leselinyana (weekly newspaper in Sesotho), during 1974-1975 published by Lesotho Evangelical Church, Morija. Translated into English by the BCP Office, Lusaka and OBS (radio programme by Swedish Broadcasting Corporation, Margareta Gelbort and Leif Söderström) and complete taped interviews with group leaders in the Interim-Parliament.

7 Declarations at Annual Conferences of BAC in 1957 and BCP in 1959 published by the BCP weekly Makatola and Mohlabane (The Warrior, edited by Bennett Khaketla) all kept at the Library of the National University of Lesotho at Roma.


10 Ibid., p. 157.

11 See Appendix I.

3 See Appendix I, United Democratic Party (UDP) got 564 votes in the 1970 election in the three constituencies where it had candidates.

4 Statement by the General Secretary of the BCP to the Press, Stockholm June 1973.

5 Interim National Assembly Hansards 1975.


7 Ibid., see also note 6.

8 Table of Ministers in Breytenbach, W.J., Crocodiles and Commoners in Lesotho, Africa Institute of South Africa, Pretoria 1975, p. 103 and p. 118.

9 Leselinyana, "Manyeli gives Masupha a 22 day ultimatum", Morija, 27 June 1975. A.C. Manyeli former Minister in Jonathan's government was expelled from the BNP, Masupa Kathiso was General Secretary of the BNP, at the time.

10 A letter signed allegedly by Mokhehle, Mofolo and high-ranking police officials was published by the government in mid-December 1973, disclosing plans to overthrow the government. In the following week after the Annual National Conference of the BCP was to be held - the first publicly held since 1969 this conference was stopped and followed by arrests and intensified police raids in the countryside.

11 Funerals, weddings etc., when many people usually gather are now attended by more people than ever. They are openly used as pretext for political meetings. Many speeches are held and the BCP views are put into the mouth of the dead: For example: "The last words by N N" (name of the person who has passed away) ... "were that the government should resign immediately".- Funerals of prominent members of the BCP, like Mr. Mou have drawn up to 5,000 participants, (Leselinyana, August 1975).

12 This translated version of the "Aims and Objects" of the BCP party constitution is published in Readings in Boleswa Government. Select Documents. Selection by Macartney, W.J.A., Roma 1971. The English version is not authorized by the party itself. The BCP Constitution is only authorized in its Sesotho version. The translation used in "Readings..." contains, however, the same words as a translation given by K. Chakela, General Secretary of the BCP, the only exception being that "fight" is exchanged for "struggle".

13 The "Aims and Objectives" of the BNP are copied from "Readings..." see note 22. The English version is authorized by the party.


15 The BNP published a detailed programme for economic growth already in 1969, see "Readings..." in note 22.

16 When the BNP in 1983 established diplomatic relations with the Soviet Union, North Korea and China it actively cooperated with Communist countries and thus broke its anti-communist Aim under paragraph e).

17 A change in 1975 by Yugoslavia to support the BNP as well as the Chakela group of the BCP was crucial. Another event was the liberation of Mozambique in 1975 with which the BNP-regime established relations partly through contacts with the Chakela group.

18 This comparison of ideas is based on my own interviews with leaders and members of the BCP and BNP, as well as on the party constitutions.

19 Interview with C.D. Molapo in Opinions..., see note 24.
31 Disunity within the Executive in exile during 1976, which got wide publicity abroad has been caused partly by a challenge of the extreme financial powers kept by the Leader.
32 C.D. Molapo in Opinions..., see note 24.
33 Halpern, see note 9, p. 163. Halpern states that Mokhehle was actually elected for five years. According to BCP spokesmen he was not. The party constitution was, however, changed to allow for such a decision.
34 K. Chakela in Opinions..., see note 24.
35 The MFP suddenly also got large financial resources at its disposal before the 1965 elections. Joe Matthew, a former ANC refugee from South Africa who worked within the BCP, had as an individual been given assistance in the form of money and transport facilities. This assistance allegedly came from the Soviet Union to be used for the election campaign. Shortly before the elections Matthew walked over from the BCP to the MFP, taking the funds with him. The reason he gave for this action was that the BCP had in essence an anti-communist line. The BCP in turn criticized Matthew for being "elitist" and careerist. After the 1965 election Matthew left Lesotho and settled in Botswana, where for a period he became Judicial Commissioner and later businessman. On finance of the parties see also Khaketla note 8, pp. 116-119, 239, 260 and Halpern, see note 9, p. 256; C.D. Molapo note 24 on sponsoring of the BCP until 1976.
36 Khaketla, see note 8, p. 30.
37 This analysis of the elections in 1965 and 1970 was often quoted in Maseru among intellectuals during 1970.
38 N. Mokhehle and K. Chakela in Opinions..., see note 24.
39 Ibid.
40 Ibid.
41 Interviews with BCP members in 1970 and 1975, see also the interviews in Opinions..., see note 24.
43 Information by Mr. Bamber, head of Barclays Lesotho Branch and board member of Village Industry Development Organization (VIDO), state-owned association for co-operative and other village enterprises; see also S. Mokhehle in Opinions..., note 24.
44 Halpern, J., see note 9, p. 148.
45 My summary of statement by G.M. Kolisang, taped interview Stockholm, July 1972. Kolisang was General Secretary of the BCP until 1960, when he was appointed Senator by the King. From 1970 to 1973 he was official spokesman for the BCP abroad. Since 1973 he has been member of the Executive of the BCP, and works as a lawyer (with the interruption of a few months in prison in 1975-1976).
46 Weisfelder, R.F., Defining Political Purpose in Lesotho, Ohio University 1969. Weisfelder is the political scientist who has in greatest detail studied the party debate in Lesotho. He notices that the BCP has sought to mobilize the discontent, grievances and suspicion abundant in Lesotho. He points out that for the BCP, "attaining power in Lesotho is seen as only a short-run intermediate objective since true national fulfillment can occur only in the wider context of a totally liberated African continent". Weisfelder criticizes the BCP for lacking a programme of action and considers the support given to the BCP as unrealistic. Since Weisfelder is interested in mainly national strategies he outranges the political discussion within the BCP in an artificial manner, according to my opinion. It is quite possible that the BCP
supporters are "realistic" when they mainly work for a change in South Africa, when striving for better living conditions.

47 N. Mokhehle in Opinions..., see note 24.

48 Summary of issues raised during the parliamentary period 1965 to 1970, as remembered by N. Mokhehle in Opinions..., this summary is not complete, but referred to here as a statement by the BCP leader of what the BCP strategy included.

49 Weisfelder, R.F., Early Voices of Basutoland, paper presented at Conference on History of Southern Africa, Gaborone 1973. The figures given are for the early 1930s. In the late 1930s and during the 1940s the BPA had 3,000-5,000 members according to the same paper.

50 The leader of the BPA was Thomas Mofolo, who later became a prominent member of the BNP, see note 113.

51 Both Halpern, see note 9, pp. 169-71 and Weisfelder, see note 49, pp. 12-16, give details on correspondence between representatives of Lekhotla-la-Bafo and the South African Communist Party. Socialist nationalism without reference to any specific tribe or geographical area, was difficult to classify for these two authors. In comparison with other early liberation movements at the time, the Lekhotla-la-Bafo is not as odd as indicated in the footnotes of the paper by Weisfelder, who characterizes L-1-B as a movement centred around one person, J. Lefela. This is probably incorrect. There were many self-educated commoners of the same type as Lefela, who were, however, not chosen by the British colonial government to represent the movement. Lefela did not sign letters and declarations from the L-1-B during the 1930s and 1940s. Particularly Jingoes, S.J., A Chief is a Chief by the People, London 1975, pp. 204-205.

52 Preamble to the Constitution of Lekhotla-la-Bafo, translated in Haliburton, G., see note 3.

53 Weisfelder, see note 49.

54 Mokhehle and Chakela, in interview Lusaka October 1975, only partly recorded in Opinions..., see note 24.

55 Haliburton, see note 3, p. 40: Lefela was born 1885 at Mapoteng, third son of a commoner, he went to school for a few years, then to the mines. But he did not want to go underground and left the mine. He met Clements Kadale of the Industrial and Commercial trade union (ICU) in South Africa. In 1910 he settled in Lesotho, married the first of his three wives and opened a small bar and a butcher's shop. He died at the age of 82. One of his sons and most of his neighbours in Mapoteng were considered to be dangerous by the police, and were killed in a massacre of 48 men at Mapoteng in February 1974 (Star weekly 12 March 1974).

56 Weisfelder, see note 49.

57 The National Archive of Lesotho contains the papers of Lekhotla-la-Bafo. These records remain, however, to be organized. Records of the discussions in the National Council are also kept there.

58 Mohlabane, Vol. 3. No. 6, pp. 15-16.

59 K. Chakela in Opinions..., see note 24.

60 Ibid.


62 Verbatim Record of the 49th session of the Committee of the Twenty-Four, May 14, 1962, AC/AC 109/PU.

63 Some students affiliated with the BCP Youth League got their education in the People's Republic of China during the late 1950s and early 1960s (altogether about 10, who were not allowed transfer through South Africa on their way home, and were therefore not allowed back to Lesotho), many more received scholarships via the ANC in Eastern Europe, the Soviet Union and African universities.

64 Halpern, see note 9, describes these incidents in detail, pp. 3-50.

66 See the summary of the party programme of the Communist Party of Lesotho in Halpern, note 9, pp. 176-168. Unfortunately it has not been possible for me to get a written copy of this programme. According to underground CPL spokesmen in Lesotho the summary made by Halpern is correct (although other information given in Halpern on the CPL is not, according to these spokesmen).


68 Halpern, see note 9.


70 N. Mokhehle in Opinions..., see note 24. No statistical survey on the voting of workers and peasants in Lesotho. Migrant workers are not allowed to vote unless they are at home both at the time of registration and at the time of the election. C.D. Molapo in Opinions..., see note 24, argued that almost all migrant workers support the BCP. The same is argued by K. Chakela in the same collections of interviews.


72 Education statistics do not indicate any difference between constituencies with a large BNP following and constituencies with a large BCP following. C.D. Molapo argues that university students earlier tended to support the BCP, and that this still is a tendency in spite of careful screening of students.


74 S. Mokhehle in Opinions..., see note 24.

75 Preamble and Resolution agreed on by the Annual Conference of the Basutoland Federation of Labour, Maseru, 2nd of July 1973. Copied from the original kept by S. Mokhehle (leader of the BFL) including correction made by hand on this original. On this document point (d) under resolutions are missing.

76 Interview with Acting Leaders of the BFL, N. Pekosela and R.M. Monese, Maseru December 1975.

77 ILO Mission estimates, see note 73.

78 Labour News monthly, Gaborone, February 1975 stated that the LCW was sponsored by the American-African Labour Centre, AALC, and was to be the sole bargaining partner to the Employers Union; See also Leselinyana, Morija November 1975. At the 1976 Conference of the Organization of African Trade Unions (OATU) in Tripoli May 1976, a statement was made that a Federation of both the LCW and the BFL should be supported.

79 See note 76.

80 Ibid.; and information given by acting head of Lesotho National Development Corporation, (LNDC), Ilmar Rostahl.


82 A chief..., pp. 216 and 218; Kowet, D., Botswana, Lesotho and Swaziland, (unpubl.), Department of Political Science at Uppsala University 1974.

83 As we saw in the Preamble to the constitution of Lekhotla-la-Bafo, the pitso in the form it had during the reign of Moshoeshoe I, and the first thirty years after colonization was not seen as satisfactory, since it did not express the people's will. The Lekhotla-la-Bafo and the BCP were critical to the optimistic view of the BNP on the pitso as a forum
for political discussion and decision-making.

84 C.D. Molapo in Opinions..., see note 24.
85 Ibid. and my interview with C.D. Molapo.
86 Speeches by his Excellency the Prime Minister Chief Leabua Jonathan on the Fourth Anniversary of Lesotho Independence 4–6 October 1970, p. 9.
87 The Honorable Chief Leabua Jonathan, Information Department, Maseru August 1970.
88 Radio statement by the Prime Minister in connection with the announcement of a National Government, 14 November 1975.
89 L. Jonathan in Opinions... see note 24.
90 Ibid. The MFP in Lesotho and the PAC of South Africa also often refer to Moshoeshoe I, as a great statesman, whereas Lekhotla-la-Bafo and most representatives of the BCP are much more critical.
92 This word was used by Jonathan about his Ministers in the National Government he appointed on the 12 November 1975. See Opinions... note 24.
93 Emergency regulations 1970. Tona-KhoZo was a term sometimes used also for the Prime Minister in Transkei Kaiser Matanzima, it was thus later omitted.
94 The Order of the Office of the King, December 1970. The King swore an oath to follow the rules decided by the government.
95 Khaketla, see note 8, p. 191, speech by the Prime Minister at Mafeteng on 6 December 1969, quoted in extenso.
97 Dr. H.F. Verwoerd, on I. Crisis in World Conscience II. The Road to Freedom for Basutoland, Bechuanaland, Swaziland Department of Information, Pretoria 1963.
98 Ibid., my summary.
99 The Honourable..., see note 87.
100 Leabua Jonathan. A Tribute to the Prime Minister of the Kingdom of Lesotho, Information Department, Maseru October 1972.
101 The Honourable..., see note 87.
102 Leabua..., see note 100.
103 Khaketla, note 8, my summary.
105 Ibid. p. 78 et.al. The appointment of P.J. Buthelezi (OMI and DD) in 1972 as auxiliary to Bishop Boyle of Johannesburg was a step in this reformist direction. The appointment of a well-known militant priest, Dean Desmond Tutu, from Johannesburg as Archbishop in 1976 is seen as another example of the attempts from the churches to change their image among black people in Southern Africa, Star 27 March 1976.
107 Leabua..., see note 100.
108 Legum, C., ed., Africa Contemporary Records, 1974, Vorster’s statement was made to the diplomatic corps in Cape Town; economic assistance to Lesotho from South Africa has been given mainly in the form of small financial transfers from state-owned and private firms to joint ventures in Lesotho and border industries in the Orange Free State. The latter are mentioned in the speech by Verwoerd in 1963, see note 97 above.
These reference to the apartheid ideology are based mainly on party programmes of the Nationalist Party and pamphlets published by the Information Department of the South African Government. See also Simson, Howard *South African Fascism*, Uppsala 1980.

The Sons of Moshoeshoe is a gathering of the direct descendants to Moshoeshoe I, Oblates of Mary Immaculate (OMI) is a conservative Catholic Order, mentioned earlier. The missionaries in Lesotho are mainly from Canada and are French-speaking. There are 60-70 of them, many of whom settled in Basutoland, during the 1930s.

C.D. Molapo in *Opinions...*, see note 24. 

Breytenbach, see note 18, p. 107, *Tomas* Mofolo and Justice Mokotso were both leaders of the Basutoland Progressive Association, BPA.

The Star, Johannesburg, 1 April 1972.

The *Drum*, Johannesburg, 22 August 1972; *Mareng a Neso*, Johannesburg September 1972, p. 3.


see note 49.


Interviews with BNP rank and file members in 1970 and 1975; also said by C.D. Molapo and Leabua Jonathan in *Opinions...*, see note 24.

Information given by Chamber of Commerce, and discussion with traders, December 1975.


First, R., ed., *Black Gold*, *The Mocambican Miner*, Proletarian and Peasant, Brighton 1983, is a good description of peasants who are migrant mine workers, and whose families do not live from agricultural produce since decades back, pp. 183-194.

4. STATE INSTITUTIONS (p. 77 – 94)


See note 1 and 2. My own interviews support the official documents.

Laws of Leretho, Theal, G.M., Basutoland Records, Cape Town 1883.


Catalogues of the University of Botswana, Lesotho and Swaziland at Roma, Lesotho, in 1970 and 1975, and interviews with law students.


Anton Rupert has a special position in South African business. He is a member of the Broederbond (inner circle of the Nationalist Party) and Director of the Reserve Bank (Central Bank) of the Republic. He
is also one of the first successful businessmen of Afrikaaner extraction. He owns breweries, cigarette companies and food processing firms with investments in many other countries than South Africa.


13 Report of the Basutoland Independence Conference 1966, see note 2. In May 1966 the resolution requesting independence for the British colony Basutoland was passed by the Parliament with 32 votes for the resolution and 28 against. The members of the BCP and the MFP, representing 60 per cent of the votes, were against the resolution.


15 Judgement of Mr. Justice Landowne in Mantsebo v. Bereng 1943.

16 See note 2, p. 10.

17 Interviews with dismissed employees of the Department of Finance at Matsieng.

18 Interviews with BCP supporters and leaders, April 1970 and November 1975.

19 Interviews with BNP supporters and leaders, April 1970 and November 1975, see also note 14, Report..., p. 7.


21 Confidential interviews with participants in this meeting.

22 Interviews with villagers at the Thaba Bosiu project buildings November 1975 at Ha Nsi, Maseru district.


24 Ibid.

25 The most well-known writer is Bennett Khaketla. In his newspaper Mohlabane (The Warrior) Khaketla criticized the colonial government, particularly its recruitment policy. He was politically active in the BCC/BCP 1954-1960, Freedom Party from its inception 1961. He then joined the MFP in 1962.


30 See note 27.


33 Ibid.

34 South African and later West German aid personnel.


36 The 1964 Constitution confirmed the rules practiced.
37 Interviews with British civil servants, leaders of BNP and BCP, also mentioned for example in Breytenbach, W.J., *Crocodiles and Commoners* in Lesotho, Africa Institute, Pretoria 1975.

38 Interviews with civil servants about the climate of discussion in 1975, as well as my own general comparison with the atmosphere after the coup d'état in 1970.

39 Interview with C.D. Molapo in 1975, confirmed by BCP leaders, see note 23.

40 The People's Republic of China also provided about ten scholarships. The students who studied in China were, however, never allowed to return to Lesotho via the Republic of South Africa.

41 Interviews with the leaders of the organizations of civil servants: Percy Mangaela, Khetha Rakhetla and Sam Montsi.

42 Interviews with both BNP and BCP supporters in the public administration and Report on assignment to Lesotho by Percy Selwyn, Institute of Development Studies, Sussex 1971.

43 See note 38.

44 Report, see note 14.


47 Ibid.

48 See note 46.


50 Head of the Leribe police district was Fredric Roach, appointed Commissioner of Police in March 1970, dismissed 1973.

51 There were about 30 British policemen in top posts within the police force. Their salaries were paid by the Lesotho government and they received additional salaries, so-called topping-up, from the Overseas Development Agency in London.


5. GOVERNMENT DEVELOPMENT POLICIES UNDER CONDITIONS OF UNEQUAL INTEGRATION (p. 95 - 131)


2 Hetne, Björn, *Utviklingsstrategier i Kina och Indien* (Development strategies in China and India), Göteborg 1971.


5 See note 3, p. 263, "The Government of the Basotho National Party will spare no pains to maintain the peace of Lesotho so that it will be possible to develop a tourist industry. This can only be possible under a peaceful atmosphere".
Second Five-Year Development Plan 1975/76-1979/80, Maseru 1975, pp. 20-21; Donor Conference Minutes, CPDO, Maseru June 1975, p. 22. (Localization is the Lesotho term for indigenization.)


Budget Speech by the Minister of Finance, Maseru March 1967 and Speech by the Prime Minister, moving the 1968/69 Development Fund Expenditure in the House of Assembly, March 1968.


An exception to this line is a statement by Leabua Jonathan early in 1973, "Towards Self-reliance". This was an attempt to unite the parties in Lesotho. Speeches afterwards resemble the earlier line taken.

Summary and objectives of the Second Five Year Plan, CPDO Maseru 1975, (mimeo), and the Third Five-Year Plan, CPDO Maseru 1979 (unpubl.).


This is my impression during many visits to different parts of the state institutions in 1970 and 1975. It holds true particularly for the Ministries of Agriculture, Finance and Planning, and the Ministry of Industry, Labour and Commerce.


See note 12, p. 24.

Ibid. p. 76.

Ibid. p. 24 and 76.

Interview with Arne Lexander, surveyor at the Ministry of Agriculture, November 1975. See also his surveys of the Leribe and Thaba Bosiu areas.

Interviews with villagers in the Leribe-Khomokhoana area, November 1975; speech by the acting head of the Leribe project, M. Salae also in November 1975.

Complaints presented to the Court and to the Special Investigation committee to the Leribe project. Ministry of Agriculture 1975.

Project Progress Report 1.2.75. to 31.7.75. Lesotho Rural Development of the Khomokhoana and adjacent areas, by M. Salae.

See note 11.

Complaints presented to the Court and to the Special Investigation committee to the Leribe project. Ministry of Agriculture 1975.

Ibid.

Ibid., see also Second Five Year Plan, pp. 22-25.

Business and Development in Lesotho. A Newsletter of the LNDC, no. 1, Maseru March 1976, p. 3.


See note 25, pp. 8 and 14.

Interviews with the chief manager of Standard Bank Lesotho, (confirmed by the Registrar of Financial Institutions) and the head of the Lesotho Bank, Maseru November and December 1975. More money than before was also invested in Lesotho in the sectors of diamond mining, construction and tourism.

The Sky is the Limit in Lesotho, prospect published by the LNDC, Maseru 1970.

Officers of the CPDO participating in discussion on the customs union revenue distribution in November 1975. Selwyn P.

35 Mentioned in article 12 of the Customs Union Agreement, see note 33.
38 Interview with the acting head of LNDC, Ilmar Rosthal, Maseru November 1975. Pamphlets of LNDC.
39 See note 37.
41 A common monthly income in 1970 among gold mine workers was R 25. The same job was paid R 100 in 1975. In 1980, the average gold miners wage per month was R 170 and in 1984 it had increased to R 350. In real terms this was annual increase of 10 - 20 per cent. Miners remittances increased during the late 1970 and early 1980s and became the dominant and expanding part of National Income.
44 The South African Government decided in 1974 to allocate new funds for the encouragement of less labour intensive techniques in the mining industry. (See also Five Year Plan 1975, Pretoria.)
45 The Lesotho Labour Department collects statistics from the South African Recruitment organizations.
48 Ibid.
49 Ibid.
52 See note 4.
57 Interviews with Officers at the Lesotho Desk of ODA, London October 1972.
59 Ibid. Examples given in interview with K. Rakhetla, Minister and former Permanent Secretary at the Ministry of Industry, Stockholm March 1976.
60 Interviews with personnel at LNDC, CPDO (Nov. 1975) and see note 59.
62 These visits are usually recorded in the *Radio Lesotho News*.
64 Facts given by one of the managers of Frasers Lesotho Ltd, Maseru December 1975.
65 *Trade Registry*, at Ministry of Industry and Commerce for 1974 and 1975.
66 See note 64.
67 First et al., see note 53.
69 *Interview* with Dr. B. Wacher, Wool and Mohair Division of the Lesotho Marketing Corporation.
70 Percentage figure of profit was given by J.T. Surti for his own trade. Surti is one of the few traders who compete with Fraser and is active in the Butha-Buthe district.
71 Rakhetla see note 59.
72 *Barclay's International* 1973 and 1974, confirmed by Department of statistics, Maseru 1975.
73 Ibid.
78 *Interview* with the former Minister of Industry, Commerce and Labour, Joel Moitse, November 1975.
79 See note 59.
80 See note 38.
82 *The Economy...*, see note 81, p. 70.
83 *Budget Speech by the Minister of Finance*, Department of Information, Maseru 1971.
85 Ibid.
86 See note 41.
87 Information given by Theresa Ntsane, Permanent Secretary responsible of personnel questions in the Cabinet Office, Maseru November 1975.
88 Information by Dr. B. Wacher, adviser in the Wool and Mohair Division of the Livestock Marketing Corporation, Maseru December 1975.
89 *Estimated and Actual Revenue and Expenditure of the Kingdom of Lesotho*, 1973-1974. (Both revenue and expenditure are, in Lesotho, divided between a "Current budget" and a "Capital budget").
90 Lesotho 1968, see note 12.
92 Owen Homwood's report has not been made public, but is quoted for example in Coutts, W., *Cabinet Circular Notice*, no. 20, Maseru 1966.
93 Press articles republished in clippings, weekly from the Department of Information, Maseru 1970 and 1974 and information by the secretary to the Prime Minister Desmond Sixcliffe.
94 *Interview* with K. Rakhetla, Minister of Industry, Stockholm March 1976.
96 The *Basutoland Federation of Labour* (BFL), estimates the Government revenue from recruitment offices to 1.5 million rand during the first year of the agreement 1974/1975. This revenue from the recruitment offices in Lesotho was not recorded separately and is not stated officially.
97 See note 33.
98 Estimated and Actual Revenue and Expenditure of the Kingdom of Lesotho, 1972-1973.
99 Estimated and Actual Revenue and Expenditure of the Kingdom of Lesotho, for the years 1973-74, 1974-1975 and 1975-1976 and estimates by officers at the Central Planning and Development Office.
100 According to representatives of the Lesotho and Botswana Governments participating in bargaining in November 1975, both the liberation of Mozambique and Angola and the labour strikes in the Republic had favourable effects on the bargaining results. General conclusions about the actual causes of the favourable results for the Customs Union partners to South Africa are, however, not possible to draw at this stage.
101 Ibid.
104 The South African and British radio and press reported after the events of January-February 1974, that 200 to 1,000 people were killed by the Lesotho Para-Military Unit and by the armed youth league, known as "The Peace Corps".
106 See notes 6 and 14.
109 Interview with the Registrar, see note 107.
110 See note 34.
112 Ibid p. 147, Maseru November 1975; interview with the head of Lesotho Bank.
113 Interview with the former Minister of Industry etc., Joel Moitse, Maseru November 1975; Barclay's International 1974; according to the chief manager of the Standard Bank competition has increased on the supply side of the credit market. This had in 1976 not yet had effects on statistical records.
114 Deferred Pay Fund Act, January 1975; interviews with the BFL leaders Maseru November 1975.
115 Information from documents published by the LNDC.
116 Ibid. and interview with the acting head of the LNDC, see note 38.
117 Information given by officers of the CPDO, see note 41.
118 Petition, see note 114.
119 Interview with the head of the Lesotho Bank, November 1975.
120 Ibid., interview with the Registrar, see note 107; Surveys, see note 111.
121 Reference in interview with the head of Lesotho Bank to estimates by Lesotho Chamber of Commerce (P.B. Jandrell) see note 30.
122 Standard Bank Statistics quoted in interview with the chief manager of Standard Bank, see note 34.
123 See note 119.
124 The most important insurance companies operating in Lesotho are Sanlam, Homes Trust (both South African parastatal companies) and Protea partly owned by Frasers.
125 See note 111.

127 *Interview*, see note 107.

128 See note 126.

129 See note 61.

130 *Interview* with the local representatives of EDESA, N.N. Raditapoli.

131 See note 61.

132 See note 130.

133 See note 61.

134 See note 130.

135 *Press release by the INDC* on a new joint venture on Mohair Processing, Maseru 7 July 1975.


144 Ibid., and interview with Peter Kresten.

145 See note 142 and note 6.


147 See note 141.


149 See note 12, p. 134.


151 *Interview* April 1970 with Timothy Thahane, officer at the CPDO at the time and special representative of the government in bargaining with the diamond diggers.

152 See note 150.

153 See note 151.


156 See note 141.

157 Ibid., p. 22.

158 Ibid.

159 Ibid., p. 24.

160 Ibid.


162 Ibid.

163 See note 12, p. 134.

164 Ibid.

165 Interviews with employees at the Department of Mines and Geology, Maseru 1970.

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See note 166.
*Speech* by Harry Oppenheimer at the occasion of the signing of the agreement with the Lesotho Government on diamond mining and trade, 24 March 1975, Maseru.
See note 6, p. 145.
See note 41.
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Migration and Development

Migrant labour is the main source of income of Lesotho society. Its dependence on wage employment as defined by South Africa and the restrictions of foreign contract labour has made Lesotho and its government increasingly vulnerable. The geo-political situation does not seem to give much hope either.

Still, the political strategy and the mechanisms of dependence have changed as a result of conscious actions undertaken by the Lesotho government.

The dramatic development of this migrant labour society illustrates the realities and the potential for change. It gives crucial insights into the South African conflict today.

Since the book was first published it has been used in the local and international debate as well as in university courses. The author has updated regarding recent events.

Gabriele Winai Strom is a political scientist specialising in peace and conflict research at the University of Uppsala. In addition to her work on migrant labour and multinational capital in Southern Africa she has published studies on rural development in Sri Lanka and on solidarity policies in Sweden.