

The impact of democracy in Lesotho:
Assessing political, social and economic
developments since the dawn of
democracy

David Maleleka

Research report 115

**The impact of democracy in Lesotho:
Assessing political, social and economic developments since the dawn of
democracy**

David Malelekaⁱ
Contract Researcher

Centre for Policy Studies
Johannesburg
Sept 2009

This paper is funded by the Kellogg Foundation



W.K. KELLOGG
FOUNDATION

Accepted for publication, December 2008

Published

September 2009

The Centre for Policy Studies is an independent research institution,
incorporated as an association not for gain under Section 21 of the
Companies Act.

The Kellogg Foundation generously provided the funding for this research work. However,
the views expressed in this report are those of the author, and do not necessarily reflect the
views of the Kellogg Foundation

Centre for Policy Studies
1st Floor
Maths Centre
28 Juta Street
Braamfontein
Johannesburg, South Africa

P O Box 1933
Parklands 2121
Johannesburg, South Africa

Tel (011) 403-4001
Fax (011) 403-4026
e-mail: portia@cps.org.za

www.cps.org.za

ISBN 978-1-919708-99-7

TABLE OF CONTENTS

1.	INTRODUCTION	4
2.	POLITICS AND DEMOCRATIC GOVERNANCE PERFORMANCE	5
2.1.	System and structure of government	5
2.2.	Review of political and electoral history	6
2.3.	Correlation between democracy and economic growth in Lesotho	9
2.4.	General governance performance	11
3.	BROAD ECONOMIC PERFORMANCE	12
3.1.	Macro-economic management	12
3.2.	Unemployment and income	13
3.3.	Economic performance	13
3.4.	Poverty and inequality	14
4.	SOCIAL AND DEVELOPMENTAL SERVICE DELIVERY PERFORMANCE	15
4.1.	Provision of education	15
4.2.	Provision of health services	17
4.3.	Provision of housing	18
5.	CONCLUSION	19

1. INTRODUCTION

The purpose of this paper is to investigate whether the transition to a democracy in Lesotho, since its independence in 1966, has resulted in the socio-economic development and an improvement in the lives of citizens in this country.

Lesotho is a small, landlocked state, covering 30350sq. km. The estimated population according to the 2006 Census is 1 880 661 (Lesotho Bureau of Statistics, 2006). In the SADC region Lesotho has one of the lowest levels of urbanisation, estimated at 18.7 per cent in 2005 (UNDP, 2007).

The relationship between democracy and development is one of the questions that have always attracted significant attention from researchers, and will continue to do so in the future. It has been argued by Matlosa et al (2007) that there is a general consensus that empirically there is a positive relationship between democracy and development. However, there is no clear-cut conclusion on the nature of this relationship (Mobarak, 2005). Glasure et al (1999) supports the view that there is a positive relationship between democracy and development, but refutes the assertion that lack of political freedom depresses economic growth. This paper traces the evolution of democracy and politics in Lesotho, including an evaluation of progress in the area of socio-economic development, which assessed within the framework of the political developments and reforms that have taken place since 1966.

The paper relies mainly on selected surveys and other secondary sources, including published journals, books and reports, in order to gauge public opinion about the evolution of democracy and development in Lesotho. In particular the paper utilises the views and opinions of people who hold senior positions in government and other policy institutions in Lesotho to examine and assess the impact of democracy in the country's political, economic and social development. The paper starts with an analysis of the developments in the country's politics, democracy and governance. This will be followed by an examination of economic governance performance, which will explore some of the key challenges such as unemployment, poverty and inequality. This will be followed by a discussion of the country's social and developmental services, focusing attention specifically on education, health and housing. The conclusion will provide a final assessment as to whether Lesotho's political transition to democracy has led to socio-economic development and an improvement in the lives of citizens.

2. POLITICS AND DEMOCRATIC GOVERNANCE PERFORMANCE

2.1. System and structure of government

Lesotho is a unitary state, with national and local government spheres. At the national level, the country has retained the Westminster type of parliament after independence, a legacy of British colonial rule. The two-tier parliamentary system consists of the National Assembly (Lower House) and the Senate (Upper House). Typical of the Westminster parliamentary system, the main law-making organ of the state is the Lower House, while the Upper House is responsible for overseeing the work of the Lower House (Matlosa and Shale, 2007).

At sub-national level, the country is divided into 10 districts, each with its main urban node, which also serves as a business hub. Below the 10 district councils are 129 community councils, constituted of a cluster of villages. Generally, local authorities are crucial in the governance of the country as they are closer to local communities than the central government. The establishment and democratisation of local government structures ushered in by the 2005 local government elections was an important development in Lesotho since independence. The April 2005 local government elections brought to an end an intractable trial and error period of decentralisation since independence (Shale, 2006). Prior to the 2005 elections, local authorities were predominantly nominated structures to facilitate policy implementation by central government. Various forms of decentralised authorities were tried during the period 1966-1986. Following the 1959 Local Government Proclamation, certain powers were vested in District Councils, whose elected membership ranged from 15 to 28 people. District Councils were abolished in 1969 on political grounds, as the ruling party deemed them undesirable. This had the effect of stifling local development because it deprived the community of the power to make decisions on issues that affected them directly. This also led to less trust in government institutions, thus reducing people's involvement in development activities at local level.

During the period of de facto one-party rule between 1970 and 1986, Village Development Councils (VDCs) were established. As indicated before, VDCs were nominated structures which to a large extent were considered to serve the interests of the ruling party. It is important to state that in all these structures, traditional leaders (ie chiefs) were not elected into councils but served as ex-officio members. This was changed by the promulgation of the Development Councils (Amendment) Act of 1994, which legislated that Chiefs could no longer be chairpersons of VDCs, but made provision for chiefs to remain, or become members of the Councils (Shale, 2004; 2005). In the run-up to the 2005 elections there was more experimentation at local government level with the introduction of Interim Community Councils in 2002. The experimentation with different levels of local government only reflected different policy stances by different governments at different times, in an attempt to find a working and effective system.

What is important though is that the introduction and institutionalisation of forms of local government was instrumental in facilitating local level, community-based development. It made it easier for communities to prioritise issues of concern for themselves as well as enabling effective and targeted government interventions in community development processes. However, in some areas the distribution of services is still poor, and influenced by party political considerations. Despite this, a study conducted by Mattes et al (2000) reports that in terms of responsiveness of the government to people's needs, there was greater popular confidence in the responsiveness of the local government structures than that of central government.

2.2. Review of political and electoral history

The country's political history can be divided into distinct periods, ranging from the era of multiparty democracy (1966-1970) to the era of a one-party state (1970-1986), followed by a period of military dictatorship (1986-1993) and the return of multiparty democracy which is currently still in place. Multiparty democracy was re-introduced in 1993, with the Basotho Congress Party (BCP) emerging victorious in the 1993 elections, on its return to the politics of Lesotho after a period of exile. On its return and contestation of the 1993 elections, the party won all 65 parliamentary seats (Shale, 2008).

Until 1998, the country had operated the first-past-the post (FPTP) electoral system which had been in use since the 1965 elections. The effect of this system in Lesotho's political system has been to turn politics into a zero-sum game, often accompanied by aggressive and counter-aggressive political party tactics. Two other equally important features of politics in Lesotho, resulting from the effects of the FPTP electoral system, are the dominance of one political party, and the 'winner-take-all' outcome of the elections, leading to the tendency for elections results to always be disputed by the losing political parties. Tables 1, 2 and 3 illustrate the effects of the electoral system in Lesotho, particularly the dominance of one party.

Table 1: Lesotho National Assembly election results, 1993

Political party	No. of votes	Percent of votes	No. of seats
Basotho Congress Party	398 355	74.7	65
Basotho National Party	120 686	22.6	0
Marematlou Freedom Party	7 650	1.4	0
Other	6 287	1.2	0
Total	532 978*	100	65

Source: Matlosa, 2002; *reflects 72.3 per cent of 736 930 registered voters¹

Table 2: Lesotho National Assembly election results, 1998

Parties	Votes	Perc ent	Seat s
Lesotho Congress for Democracy	355 049	60.7	79
Basotho National Party	143 073	24.5	1
Basotho Congress Party	61 793	10.5	0
Marematlou Freedom Party	7 460	1.3	0
Others	16 244	2.9	0
Total	584 740*	100	80

Source: IEC Lesotho; reflects 69.8 per cent of 837 610 registered voters

After the formation of the Lesotho Congress for Democracy (LCD) and its subsequent victory in the 1998 general election, Lesotho exploded into what is arguably the most violent and destructive political protests in the country's history, as opposition parties disputed the election results (Shale, 2007). These events eventually led to the replacement of the country's FPTP electoral system with a Mixed Member Proportional (MMP) system as it was believed that FPTP was responsible for the incessant election-related conflicts. MMP was

¹ Lesotho News Online (1) 3 March 1998, <http://www.africa.upenn.edu/Newsletters/Ino1.html>, retrieved on 14 July 2009.

used in the 2002 general elections, and as shown in Table 3, this brought about a relatively representative parliament. Accompanying electoral reform was expanding the size of the National Assembly from 80 to 120 seats, where 80 of the 120 seats are constituency-based, and the remaining 40 proportional representation (PR) seats. As Table 4 illustrates, the change to the MMP electoral system did make a noticeable difference in electoral outcome in 2002, particularly in allowing opposition parties to win nearly 50 per cent of the 40 PR seats. However, the winning party won all but one of the 80 constituency-based parliamentary seats, thus perpetuating a one-party political system.

Table 3: Lesotho National Assembly election results, May 2002: FPTP and PR seats

Party name	Votes cast	Percent votes cast	No. of FPTP seats	No. of PR seats
Lesotho Congress for Democracy	304 316	54.8	79	-
Basotho National Party	124 234	22.4	-	21
Lesotho People's Congress	32 046	5.9	1	4
National Independent Party	30 346	5.5	-	5
Basotho African Congress	16 095	2.9	-	3
Basotho Congress Party	14 584	2.6	-	3
Lesotho Workers' Party	7 788	1.4	-	1
Marematlou Freedom Party	6 890	1.2	-	1
Popular Front for Democracy	6 330	1.1	-	1
National Progressive Party	3 985	0.7	-	1
Others (9 parties)	7 772	1.4	-	-
Total	554 386*	99.9	80	40

Source: Lesotho Independent Electoral Commission (IEC); * reflects 66.7 per cent of 831 315 registered voters.²

Against this background, it is important to obtain a sense of citizens' perception of opportunities for participation and influencing the way their country is governed. Based on Tables 1, 2 and 3, while voter turnout has been strong since elections were guaranteed in 1993, especially when compared to other democracies, it has declined in succeeding

elections. This could be due in part to the FPTP structure of elections. In this system, voters may be of the view that the losing parties are marginalised in parliament. It follows therefore that such disenfranchisement of a sizeable proportion of the country's electorate by the electoral system in Lesotho effectively leads to their non-participation in the country's governance process. The consequence of this has been the widespread discontent and disillusionment of a large portion of the population, demonstrated by the protests that culminated in the 1998 political instability in Lesotho.

In a study conducted by Mattes et al (2000), a question was posed as to whether people would find democracy preferable to any other available alternative regime, a large majority of people in Botswana (82 per cent) and Zambia (74 per cent)³, agreed with this statement, while in Lesotho only 39 per cent supported a democratic regime unconditionally. This is an interesting result in that it seems to signal either the indifference of the population or its disaffection with democratic practice in Lesotho. One possible interpretation is that people are less concerned with the nature or type of political system Lesotho has, but more concerned with its ability, capacity and effectiveness in delivering social development to citizens. This implies that development and proper service delivery may flourish even in undemocratic environments, as may be the case in military regimes. The study by Mattes et al revealed that for most people their priority is better livelihoods, with 22.7 per cent of respondents mentioning this, while only 32 per cent of Basotho thought regular elections are essential.

2.3. Correlation between democracy and economic growth in Lesotho

We next attempt to map the evolution of democratic practice in relation to Lesotho's development, using GDP (as published by the Lesotho Bureau of Statistics) as an indicator of development. The choice of the variable real GDP is notwithstanding the criticism of the variable as an indicator of development. At this juncture we wish to justify it within the framework of SADC macro-economic convergence indicators⁴, in particular the secondary indicator of target growth rate of 7 per cent. In setting a target for the Millennium Development Goals (MDGs), a growth rate of 7 per cent was recommended because it was

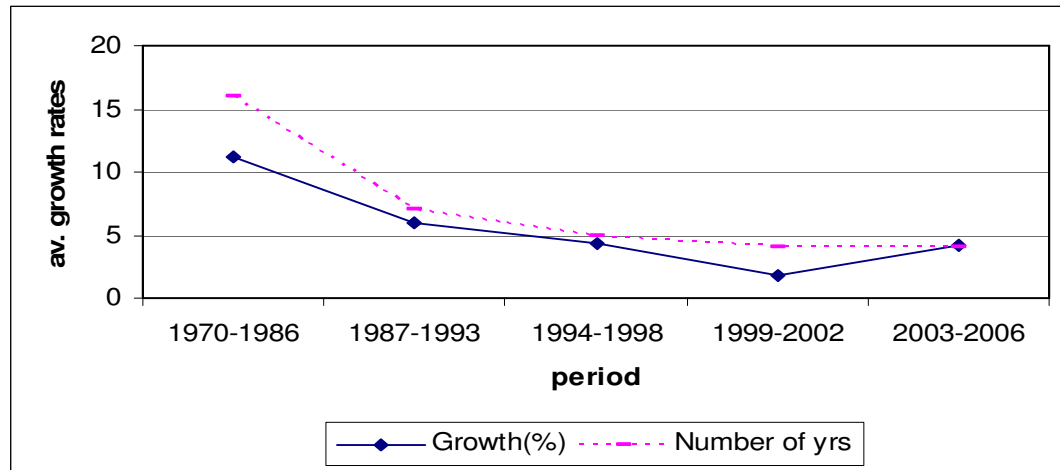
² Ibid.

³ It is worth noting that neither Botswana nor Zambia have an electoral system based on FPTP.

⁴ Refers to the commitment by member states to low and stable levels of inflation, sustainable budget deficits, public and publicly guaranteed debt, and current account balances through stability-orientated economic policies implemented through a sound institutional structure and framework (SADC Memorandum of Understanding on Macroeconomic Convergence, 2002; <http://www.sadc.int/index/browse/page/166> retrieved on 14 July 2009).

the level at which SADC policy makers thought it would be able to translate into poverty reduction, leaving aside issues of equitable distribution of resources.

Figure 1: Democracy vs GDP growth



Source: Author's calculations

It is unreservedly acknowledged that the issue of GDP/economic growth in the least developed and developing countries need to be accompanied by equitable distribution of wealth within a country in order to effectively address poverty. Figure 1 shows that during the suspension of the Constitution of Lesotho in the 1970s, and the subsequent military coup of the 1980s, there was a decline in average growth rates. It is also noted that the length of tenure of office of government has been declining over time as the country drifted back into democratic governance. A normal tenure of office for elected government in Lesotho is five years, but during an era of uncertainty and disturbance, the five-year tenure of political office has generally not held firm. For instance, after the first elections the elected government lasted for four years (1966 to 1970). The next five governments afterwards stayed in office for 16 years, eight years, six years, as well as two terms of five years respectively.

It is usually assumed and expected that the prospects for growth would be better during periods of democratic rule, but Figure 1 does not seem to bear this out, with the exception of the period that started in 2002. In respect of political leadership, a tenure of office that exceeds four years is considered unfavourable for growth, as it presupposes that people were not able to exercise their political choice of a government pursuing policies reflective of popular preferences. Another important observation in terms of the relationship between patterns of regimes in power since Lesotho's independence and average growth rates, is that the length of time in which a particular elected government was in power did not result in higher GDP growth. GDP growth was only better during the period after the change of the electoral system for the 2002 elections.

2.4. General governance performance

In terms of general governance, Lesotho appears to be performing fairly well, especially after the 1993 multiparty elections. In a study using six dimensions of governance, namely ‘voice and accountability’, ‘political stability and absence of violence/terrorism’, ‘government effectiveness’, ‘regulatory quality’, ‘rule of law and control of corruption’, it was reported that Lesotho is among the countries that are improving in terms of the ‘voice and accountability’ and the ‘control of corruption’ dimensions (Kaufmann et al, 2008:33). It is not clear what accounts for the country’s seemingly good performance with respect to the ‘voice and accountability’ dimension, especially given the widespread dissatisfactions with the effects of the electoral system and electoral outcomes in the past. However, the country’s good performance in the ‘control of corruption’ dimension was mainly due to the prosecution and conviction of international and local companies involved in bribery and unethical behaviour during the construction phase of the Lesotho Highlands Water Project. This was a project signed between Lesotho and South Africa in 1986 to transfer water to some provinces in South Africa. This result is consistent with the outcome of the 2008 Ibrahim Index of African governance, which also highlighted that Lesotho has made improvements in its score from 2007 to 2008, as indicated in Table 4.

Table 4: Lesotho governance indicators for 2007 and 2008

Category	2007 score (out of 100)	2008 score (out of 100)	2008 score (out of 48 SSA)
Safety and security	75.0	75.0	33
Rule of law, transparency and corruption	66.8	69.3	8
Participation and human rights	72.5	75.5	12
Sustainable economic opportunity	40.0	42.9	17
Human development	51.7	53.7	22

Source: Mo Ibrahim Foundation

The mean score for the five governance indicator categories in 2008 was 63.3 out of 100, with a score close to 100, indicating high performance in terms of good governance, with the overall rank of 12 in sub-Saharan Africa (SSA). Lesotho has improved by at least 2.0 points in four of the five categories, (namely safety and security, rule of law, transparency and corruption, participation and human rights, sustainable economic opportunity and human development). In the category of participation and human rights, the country’s score rose by 3.0 points. The improvement in governance, albeit slow, is a desirable development which is likely to stand the country in good stead in attracting donor investments to the country. Such capital inflow will complement government efforts on development.

3. BROAD ECONOMIC PERFORMANCE

3.1. Macro-economic management

Government policy in service provision and general development is stipulated in two policy documents, the Lesotho Vision 2020 and Poverty Reduction Strategy (PRS). The policy emphasises three areas of priority, namely rapid employment creation, delivery of poverty-targeted programmes, and ensuring that policies and legal frameworks operate within a co-ordinated environment. On macro-economic development, inflation was recorded at an annual average double digit of 12.2 per cent in 1981 and by 1998 it had started to register a single digit, 8.6 per cent. It has since moderated and there is no obvious threat due to prudence in government economic management. It is in part explained by the fact that much of inflation in Lesotho is an indirect consequence of the large number of imports from South Africa. Lesotho imports more than 80 per cent of its consumables. Thus issues of price stability in South Africa affect Lesotho directly.

The level of poverty in a country should be analysed in the context of countrywide data on employment and poverty. In Lesotho there are no comprehensive employment figures in the formal sector. Formal sector employment comprises those employed in companies assisted by the Lesotho National Development Corporation (LNDC)⁵, government employees and mineworkers. The Central Bank of Lesotho reports indicate that 50 607 employees were employed in the LNDC assisted companies in 2004. Employment in government accounts for an estimated 36 215 (as at 2004), while the mining sector employed 58 014 workers (employment in the mines dropped from the 1999 level of 68 604). Government participation and involvement in other economic sectors' employment is through the setting of minimum wages for employment in the economy. The minimum wage arrangement is desirable as a mechanism to protect the less unionised sectors of the economy.

A tripartite advisory board, led by the department of labour, facilitates and sets the minimum wage annually, especially for the least unionised sectors. The inadequacy of this measure is not necessarily surprising as its failure, as a protector of people's income, is widely acknowledged in developing countries. This is because developing countries have bigger informal sectors, compared to the formal sectors. Therefore, a minimum wage approach should be contrasted with a concept of minimum income, which does not only trace price movements, but also includes income to afford commodities that will yield an acceptable level of livelihood.

3.2. Unemployment and income

Manufacturing, though limited, was given a new lease of life in 2001 when Lesotho acceded to the African Growth and Opportunities Act (AGOA), which enabled it to produce more textile and clothing exports to the USA. With this boost came a peak in the number of people employed in the sector to 53 525 in the second quarter of 2004. This made textile and clothing the highest employer in the country's economy, with central government employment coming second at an estimated 36 120 employees in the period ending June 2004. This number increased moderately to 40 649 for the period ending December 2007. The numbers should be interpreted in the context of the national unemployment rate of 23.2 per cent according to the 2002/2003 household budget survey. However, the rate of unemployment does not take into consideration the high rate of growth of employment in the informal sector, which is absorbing most of the working population that are not accommodated by the formal sector. The level of unemployment improved from 28.7 per cent in 1994/95 to 23.2 per cent in 2002/3, implying improvement in living standards in the country.

3.3. Economic performance

During the colonial era in Lesotho, very little was done to develop the country economically. Upon attaining political independence in 1966, government had to intensify efforts in building a sound economic base (Khaketla, 1971). The greatest challenge was the unfavourable mountainous terrain which made infrastructure development difficult and demanding. The economy started off from a low gross domestic product (GDP) base of M55.6 million⁶ in GDP in the 1967/68 (immediately after independence) financial year, gradually improving to M1 863.9 million in 1982, and an estimated M4 529.3 million in 2005. This highlights improvements in the level of economic activity over time. During this period, and at least up to the mid-1980s, the economy depended on the primary sector⁷ which was dominated by agriculture as a driver of economic growth. In 1985, agriculture alone was 21.8 per cent of GDP, while manufacturing made up only 9.9 per cent. This situation has since changed, when in 2002 agriculture declined to 14.9 per cent and the manufacturing sector increased from 9.9 per cent to 15.8 per cent.

The majority of the population of Lesotho lives in the rural areas. Table 5 illustrates this fact clearly, and implies that there is a high degree of dependence on the rural

⁵ State- owned company responsible for promoting the country's investment climate and in attracting FDI.

⁶ Lesotho's national currency is the Maloti.

⁷ It also includes mining and quarrying.

economy, particularly farming and agricultural activity, to sustain many rural households in Lesotho.

Table 5: Population by urban and rural residence

Residence	Percentage distribution of the de jure population by urban and rural residence: 1976-2006			
	1976	1986	1996	2006
Urban	10.5	11.8	16.9	23.8
Rural	89.5	88.2	83.1	76.2
Total	100	100	100	100

Source: Lesotho Bureau of Statistics

However, the country faces a situation of severe decline in productivity in the agricultural sector, which used to support the majority of households in the country. The decline in agricultural contributions was accompanied by a fall in migrant mineworkers and related remittances. The number fell from 126 361 in 1990 to 65 727 miners in 2000 and only 46 520 by the end of 2007.

Geographically, Lesotho is totally surrounded by South Africa and its land-locked status presents a challenge in terms of its physical accessibility to the rest of the world. The fall in the number of migrant mineworkers translated into a fall in income for the majority of households in Lesotho (Turner, 2003). A further threat emerged from the decline in remittances due to urban migration which presented a real threat to growth, maintenance and development of the agricultural sector. This has left the already declining agricultural sector in a state of severe weakness and lack of sustainability.

3.4. Poverty and inequality

Recent data indicate that there have been improvements in the reduction of poverty, even though this is modest. This is consistent with public opinion sentiments expressed about service delivery in Lesotho. It is estimated that despite the average household size increasing from 4.9 in 1994/95 to 5.0 in 2002/03, the level of dependency⁸ declined from 0.78 in

⁸'Dependency', measured in terms of the 'dependency ratio', is a measure of the portion of the population composed of dependents or people who are too young or old to be economically active.

1994/95 to 0.67 in 2002/03, as stated in the 2002/03 household budget survey. This development is consistent with food poverty line⁹ changes from M42.92 to M84.41 and the general poverty line from M83.13 to M149.91, according to the 1994/95 and 2002/03 household budget survey. The poverty line is the level of value of consumption - when a household's consumption falls below it, it is classified as 'poor' and those placed above it as 'non-poor'. According to the 2002/03 and 1994/95 household budget survey, the incidence of poverty (the proportion of households or population falling below the total poverty line (M149.91 in 2002/03) indicates that people below the poverty line, in terms of headcounts was 66.61 per cent in 1994/95 and improved to 56.61 per cent in 2002/03. This translates into 10.0 per cent decline in the level of poverty in Lesotho over the period indicated. And from this development one may infer limited improvement in welfare, clearly a credit to the social welfare policies adopted by the governments of Lesotho over the period under review. (ie 1994/95-2002/3).

It could be argued, however, that despite improvements in the level of service provision and a slight drop in the overall poverty levels, there is limited progress on the narrowing of disparity between the rich and the poor. The Gini coefficient improved marginally from 0.57 in 1994/05 to 0.52 in 2002/03. This should be interpreted with caution, because during the same period poverty increased in the urban areas from 32.28 per cent in 1994/95 to 33.73 per cent (headcount) to 2002/3, while it decreased in the rural areas from 80.92 per cent in 1994/95 to 56.88 per cent in 2002/03. But due to population distribution between rural and urban areas, the improvement achieved in rural areas overshadowed the negative urban impact.

4. SOCIAL AND DEVELOPMENTAL SERVICE DELIVERY PERFORMANCE

This section discusses the quality of service provision in three of the priority social and developmental service areas in Lesotho - education, health services and housing - and identifies some of the key challenges faced by the governments of Lesotho since the country emerged from colonial rule.

4.1. Provision of education

Despite the growth that Lesotho has realised since independence, the level of poverty that still afflicts the country has remained almost unchanged. During the same period however, there has been an increase in enrolment levels, from 72 437 in 1999 to 83 104 in 2003. The period 2000 and 2001 alone realised an increase of 6.8 per cent. Despite these increases the pupil/teacher ratio has always been an area of concern. Pupil/teacher ratios matter because

⁹ The 'food poverty line' is generally defined as the cost of minimum food purchase. Also referred to as the 'core' poverty line.

they indicate, firstly, that large class sizes impact on the quality of education, which in turn has a development impact. Secondly, it indicates a lack of investment in teacher training, recruitment and retention. The Ministry of Education and Training reports that Lesotho has performed well in terms of public expenditure in education, especially primary and secondary education, with an estimated average of 10.8 per cent of total public expenditure. This is in comparison with the Southern African Development Community (SADC) regional average of 6 per cent. It is also higher than the global average of 4.9 per cent. In 2002 the SADC primary education enrolment average was estimated at 78.6 per cent, with the world average estimated at 84.6 per cent. For Lesotho the estimated average was higher, at 85.8 per cent. These levels are considered acceptable for the country's quest to keep a high literacy rate and build a strong base for human capital which is vital for development. In this regard therefore Lesotho is performing fairly well.

Table 6 highlights the performance of the country in terms of the provision of primary school education, especially in terms of passes obtained. The table shows that there was a gradual increase in the total number of passes at primary school level between 2003 and 2005, which stands the country in good stead as an indicator of prospects for levels of literacy in the country. And this is a good base for human development and development in general.

Table 6: Performance at the primary school level

Class	2003		2004		2005	
	No.	%	No.	%	No.	%
1st class	4481	11.2	5377	13.5	5357	15.3
2nd class	8915	22.2	9485	23.8	7329	20.9
3rd class	20225	50.3	20267	50.8	17305	49.3
Total passes	33621	83.7	35129	88.1	29991	85.5
Fail/Ungraded	6551	16.3	4730	11.9	5106	14.6

Source: Ministry of Education and Training

Access to education may be considered a key indicator of the government's commitment to the provision of education. In Lesotho, this was especially evidenced by the introduction of free primary education in 2000. The success of this policy was dependent on partnership and co-operation with churches and other civil society organisations as part-owners of some schools. The full seven years of primary school had been covered by the free primary education programme by the end of 2006, and 2007 was the start of fee subsidisation for pupils entering or already enrolled in secondary schooling. The Ministry of Education and Training reported that majority of people in Lesotho consider secondary education easily accessible, though there are concerns of possible lack of adequate capacity to accommodate all primary graduates as there are fewer secondary schools than there are primary schools.

In addition to paying the salaries for teachers at primary, secondary and tertiary levels, the government of Lesotho also funds a universal primary school feeding scheme. However government does not pay for school uniforms, though at secondary level it has introduced a school book loan scheme. This is a cheaper method for pupils to access prescribed school books, particularly for pupils from poorer families who could not afford to purchase school books. Assuming no administrative bottlenecks, the scheme is likely to be significantly helpful in terms of dealing with issues of affordability for low income families, as well as addressing the problem of availability of school textbooks in many secondary schools. There is nonetheless still concern about higher tuition fees at secondary level. The majority of recently built schools (mainly primary) are donor-funded, and this poses a threat to sustainability in the education sector, as the ability of donors to maintain such long-term commitments to the funding of education in Lesotho cannot be guaranteed.

4.2. Provision of health services

The recent budgetary allocations by government have been dominated by health, education and public administration. The 2005/6 budget indicated that government had allocated 4.1 per cent of GDP to public health services and this had been increased to 5.1 per cent of GDP in the 2006/07 financial year (1 April to 31 March). The budget allocation for health has since increased to 7.1 per cent of GDP in the 2007/08 financial year. This has mirrored government policy on the three areas. Health services have been one of the primary focus areas because of concern with the spread of the HIV/AIDS pandemic. As part of this, government has opened AIDS clinics in 18 government and Christian Health Association of Lesotho Hospitals. Service provision in the health sector is undertaken in partnership with a number of key partners, including the Baylor college of Medicine and Bristol Myers Squibb, Ontario Hospital Group, and the Clinton Foundation.

However, the challenge to the health service sector remains the shortage of doctors and registered nurses to serve certain population catchments. The national average using 2002 as a base year would be 7 doctors and 19 registered nurses for every 107 522 people. Put another way, Lesotho had one doctor for every 15 360 people, and one nurse for every 5 659 people. An estimate can also be made regarding the distribution of doctors and nurses at the main government hospital (Queen Elizabeth Hospital) for the same base year (2002), in terms of which a single doctor served 5 158 patients, while a single nurse served 2 415 patients annually. Clearly these figures suggest severe resource constraints in terms of health service provision in Lesotho.

In terms of public opinion regarding the provision of health services in Lesotho, the lack of adequate resources is reflected in the large number of respondents dissatisfied with the level and quality of customer health care services as reported in a survey report by Gay and Green (2000). This dissatisfaction was also reflected in similar sentiments expressed in the results of a survey carried out by the Lesotho Core Welfare Indicators Questionnaire Survey (2002:30) where 86.8 per cent of the respondents were dissatisfied with the general quality of health services. Although health services are considered affordable, the medical staff competency tends to be considered as poor, and the equipment for medical services inadequate. Compounding this is also the poor availability of drugs, including access to HIV/ARVs and TB treatment.

4.3. Provision of housing

Human development is considered a vital part of socio-economic growth and development and the affordability of decent housing is considered a vital component of better livelihoods. An analysis of slum development in Maseru found that more than 25 per cent of the households used their residential plots of land for private household and family purposes, while more than 10 per cent used the plots also for commercial, income-generating activities, particularly renting. In addition, more than 15 per cent of the households used their plots of land for farming in addition to residential purposes (Silishena et al, 2005).

The current plot configurations and the overall site layouts are likely to limit the ability to create additional plots for housing without undue expense and social disruption. The housing stock found in peripheral areas is typically low income, dominated by the rented one-to-three-bedroom flats called the 'polata' and 'ma-line' in the local nomenclature, and some temporary structures. The big houses constitute only about 7 per cent of the total housing stock in Lesotho. The basic services, roads, sanitation, electricity and water are not adequate (Silishena et al, 2005).

The housing survey undertaken by Silishena et al (2005) was conducted in Motimposo, Qoaling and Upper Thamae Township on the periphery of the capital, Maseru. A total of 266 households were interviewed. It was found that nearly 70 per cent of the households earn less than M1000, and therefore could not easily afford to purchase or build better quality houses. Such low household incomes also disqualify many households from receiving loans from commercial banks. It was further found that a great majority acquire sites through their own savings, with families, relatives and friends acting as other sources of finance. The cost of building a house and getting the necessary services are too high for poor households in Lesotho. This is compounded by the fact that their residential areas and sites tend to be located on inhospitable land sites such as hilly slopes.

The same pattern prevails in the acquisition of housing. When those residing in rented houses are omitted from the sample, it was found out that 23 per cent have chosen to build their own houses, with 19.7 per cent inheriting the houses. Only 9.8 per cent were found to have purchased their houses, half of these obtained through personal savings or work-related loan guarantee schemes. This therefore implies that of those that own a piece of land, at least one in ten has purchased a house. However, the majority of people still depend on family networks and/or inheritance to acquire housing. Very few people are able to provide for their own housing needs through own income or access to credit facilities.

5. CONCLUSION

This report set out to trace the evolution and development of democracy, governance and politics in Lesotho since its independence in 1966, including assessing progress in the area of socio-economic development. At independence, the economic base of Lesotho was low and fragile but the level of economic growth has moderately increased over time. However, the improvement in economic performance does not seem to have translated into a proportionate decrease in the level of poverty. Setting aside global economic trends and Lesotho's landlocked dependence on the South African economy, several factors may impact on the link between economic growth and the nation's democratic growth. These may in part explain the levels of citizen dissatisfaction expressed in various public opinion surveys about Lesotho's democracy. The seeming failure of Lesotho's democracy to translate the political gains made since 1966 into better livelihoods was compounded by two key factors. The first factor is the lacklustre rate of economic growth that the country has experienced since the dawn of democracy, especially in those sectors of the economy which are crucial to efforts to eliminate poverty, such as the tourism sector. The second factor is the high levels of apathy amongst the population, induced by popular disaffection with the disruptions to the democratic principle, which have created high levels of popular disengagement from the governance process. Government expenditure in the key social service sectors, such as health and education, has received greater attention compared to the economic and developmental sectors. Lesotho remains one of the most poverty-stricken countries in the SADC region.

Despite the generally poor social developmental and economic indicators, the country's performance in terms of governance indicators shows promising signs of improvement. The recent history of democratic governance and political stability are a good base for the country to build on for the future. Key aspects of good governance, such as the rule of law, accountability, transparency, willingness to tackle corruption and the institutionalisation of democratic local government, which creates space for citizen participation in local community development processes, present new opportunities for Lesotho to address some of its intractable social policy challenges in the context of democratic legitimacy.

REFERENCES

Bardhan, P. 1999. Democracy and Development: A complex relationship, Shapiro, I and Hacker-Cardon, C (eds), *Democracy's value*. Cambridge University Press.

Bhagwati, J.N. 2002. Democracy and Development: Cruel Dilemma or Symbiotic Relationship? *Review of Development Economics*. Vol 6, no. 2, pp 151-162.

Glasure, Y. U, Lee, A and Norris, J. 1999. Level of Economic Development and Political Democracy Revisited. *International Advances in Economic Research*. Vol. 5, no4, pp 466-77.

Gay, J. and Green, T. 2000. Public attitudes towards democracy, politics and development in Lesotho. *The Southern Africa Democracy Barometer*.

Kaufmann, D, Kraay, A and Mastrizzi, M. 2008. *Governance matters VII: Aggregate and Individual governance indicators 1996-2007*.

Khaketla, B.M. 1971. *Lesotho 1970: An African Coup Under the Microscope*. London: C. Hurst & Co. Ltd.

Lesotho Bureau of Statistics. 2002. *Lesotho Core Welfare Indicators Questionnaire (CWIQ) Survey*. Maseru.

Lesotho Bureau of Statistics. 2006 *Census*

Mattes, R, Bratton, M, Davids, Y.D. and Africa, C. 2000. Public opinion and consolidation of democracy in Southern Africa: An initial review of key findings of the Southern African Democracy Barometer. *The Southern African Democracy Barometer*.

Matlosa, K. 2002 Lesotho. In Lodge, T. Kadima, D & Pottie, D. (eds), *Compendium of Elections in Southern Africa*. Johannesburg: EISA.

Matlosa, K, Elklit, J. and Chiroro, B. 2007. *Challenges of conflict, democracy and development in Africa*. Electoral Institute of Southern Africa. Global Print

Matlosa, K. and V. Shale (eds). 2007 *The Impact of Floor Crossing on Party Systems and Representative Democracy*. Johannesburg: Konrad Adenauer Stiftung.

- Mo Ibrahim Foundation. 2008. The Ibrahim index of African governance. Available www.moibrahimfoundation.org/index
- Mobarak, A. M. 2005. Democracy, Volatility and Economic Development. *The Review of Economics and Statistics*. Vol. 87, no. 2, pp. 348-361.
- Muller, E.N. 1995. Economic determinants of democracy. *American Sociological Review*. Vol. 60, no. 6, pp.966-982
- Persson, T and Tabellini, G. 2006. Democracy and Development: The devil in the details. National Bureau of Economic Research, Working paper 11993
- Silitshena, R.M.K, Kabi, M. and Maleleka, D. 2005. Cities without slums programme: Situational analysis. UN Habitat.
- Shale, V. 2004. Decentralisation, Development and Conflict: Challenges Awaiting Local Authorities in Lesotho. Johannesburg: EISA Occasional Paper No.21.
- Shale, V. 2005. The 2005 Lesotho Local Government Elections: Implications for Development and Governance. Johannesburg: *Journal of African Elections* 4 (1).
- Shale, V. 2006. Local Governance and Constitutional Democracy: Comparative Insights from Lesotho and South Africa. *Conflict Trends Magazine* No.2 2006.
- Shale, V. 2007. Opposition Party Alliances and Elections in Botswana, Lesotho and Zambia. Johannesburg: *Journal of African Elections* 6 (1).
- Shale, V. 2008. Parliament and Democratisation in Lesotho. In Matlosa, K. and K. Prah and Toulou (eds) State of Democracy and Poverty Eradication in Africa. Johannesburg: EISA.
- Todaro, M.P. 1991. Economic development in the third world. 4th edition. Longman
- Turner, S.D. 2003. The Southern African food crisis: Lesotho literature review. Amsterdam.
- United Nations Development Programme.2007 Human Development report 200/2008. Fighting Climate Change: Human Solidarity in a Divided World . UNDP.

ⁱ At the time of writing this paper, the author was a Senior Economist with the Central Bank of Lesotho. The author is grateful for the useful comments from Robin Richards, Thabo Rapoo, Ebrahim Fakir, Victor Shale and an anonymous referee in the earlier versions of this article