

History of Electricity in Lesotho and The Place of 'Muela Hydropower Plant in The Wider Context of The Southern African Power Pool

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Abstract

This paper examines the history of electricity in Lesotho from the colonial time to the present within the broader framework of socio-economic development. Taking the 'Muela hydropower plant, the Lesotho Electricity Corporation and the Southern African Power Pool as illustration, the paper raises three related arguments. First, that the project nature of the power plant severely limited its potential relative to the need to electrify the countryside for purposes of expediting socio-economic transformation to make it possible for the Basotho nation as a whole to attain a higher standard of well being. Second, that privatisation of electricity as a social product is inimical to the Government of Lesotho's professed policy of social provisioning with a view to achieving national development and eradication of rural poverty. Third, the paper identifies a significant disparity between policy assertions and evidence on the ground. The paper argues further that the ambiguities surrounding policy statements on national electrification in Lesotho are less of an accident than testimony that the capital intensive nature of the 'Muela hydropower technically excludes the rural poor from being the immediate beneficiaries of the power from the station.

Introduction

This paper examines the history of electricity as well as elements of the politics associated with the idea of electrification in Lesotho. Electrification is viewed as a conscious and deliberate policy effort on the part of the political state designed to enable the affected population to attain a higher level of living. The paper focuses on the potential of the 'Muela hydroelectric plant, one of the major components of the Lesotho Highlands Water Project (LHWP), to contribute to the future socio-economic development of Lesotho. Theoretically, the paper is inspired by a materialist perspective that hypothesizes the public policy intent of electrification as being to drive the national economy to a higher technical basis than that which would have been achieved prior to the beginning of the electrification initiative (Lenin, 1977). The main question which the paper seeks to address is ways in which, apart from the obvious question of magnitude, the 'Muela hydroelectric project differs from other electrification initiatives in Lesotho. It is argued that the project nature of this component of the LHWP as well as the divestiture of the Lesotho Electricity Corporation (LEC) cripple their potential regarding the need to electrify the country to expedite social transformation, economic growth and poverty reduction. The paper argues further that it is not accidental that the ruling, urban-based, political elite is poised to benefit disproportionately - compared to the rural-based majority of the populace - from the proceeds of the LHWP in general and 'Muela hydro power plant in particular. Viewed from this angle, the elite will be criticised for having joined in the ranks of the broader coalition of forces whose net effect is impoverishment of the majority of the rural populace by

denying them access to the electric power generated in their name (Wilson and Ramphele, 1989).

There are six sections in this article with this Introduction counting as Section I. Section II provides an argument of the association between electrification and economic growth. Section III provides a brief history of electrification in Lesotho from the turn of the last century to the present. Taking the 'Muela hydropower plant as a case. Section IV not only highlights what this author regards as inherent limitations of the project approach or 'projectisation' of national development (see Hirschman, 1958; 1967) but also discusses the lack of congruity between the project approach to national development and the advent of a neo-liberal agenda and the resulting suppression of national interest as evidenced by a sudden move towards wholesale privatisation of government-owned enterprises with special emphasis on the LEC. Section V situates the 'Muela hydropower plant within the wider context of the Southern African Power Pool (SAPP). The final section sums up the arguments and concludes the paper.

The paper has been assembled on the basis of data collected over a period spanning more than 5 years through a combination of methods, including perusal of primary and secondary sources, interviews with key personnel of relevant institutions, personal communication with knowledgeable people and experts in the field of energy, and content analysis of speeches by some prominent politicians in the country.

The association of electrification and economic growth

A glance at the history of electrification in other countries suggests a close association between the expansion in the use of electricity and chosen economic policies, as well as

specific industrialisation and manufacturing strategies. This association has often increased the need for incorporating the provisioning of other forms of energy into countrywide strategies for economic transformation and growth. One country where these processes ran hand in hand was the Soviet Union in the early 1920s. The peasant-based Soviet economy in that period prompted the Bolshevik government to insist on the intrinsic importance of electrification as a precondition for transforming a predominantly agricultural economy into an industrial one. It is for this reason that a brief look at the history of electrification in Lesotho and a review of how the Bolsheviks conceptualised electrification as a means of transforming the Soviet economy to higher levels of productivity is in order.

For Lenin and his party, the link between industrialisation and electrification was a symbiotic one. It was argued passionately that "industry cannot be developed without electrification" (Lenin, 1977: 450). The task of enabling the Soviet economy to 'catch up' with those of the West would be inconceivable without this important national commodity. Differences of opinion on what needed to be done gave rise to what might be termed the electrification debate at the formative stages of the Soviet power. A distinctive element of this debate was the fact that the Bolsheviks construed it as part of their long-term political programme with far-reaching economic and social dimensions. Not surprisingly, when, for the first time, the Bolsheviks formulated their theoretical political plan outlining the basis for the need to consolidate the link between the working class and peasantry, provisioning of electric power for both agricultural and industrial production was central. Without adequate and reliable supply of electric power, mechanization of both agriculture

and industry would be unimaginable. Sustainability of such operations, the Bolsheviks reckoned, could only be predicated upon "a plan of work aimed at restoring our economy and raising it to the level of up-to-date technical development. Without a plan of electrification we cannot undertake any real constructive work" (Lenin, 1977: 498 [author's emphasis]; see also Dobb, 1946; 1961). One vexing question that this theoretical blueprint invites is whether availability of electricity could be an automatic solution to the multi-faceted structural problems confronting the developing world of both the 20th and 21st centuries, of which Lesotho is an integral part.

The idea of electrification as an essential strategy for socio-economic transformation became widely accepted throughout the nineteenth and twentieth centuries. Not surprisingly, even such institutions as the World Bank have become instrumental in seeking to influence the overall policy direction of development finance especially as it relates to provisioning of clean energy for development (World Bank, 2006). As with other aspects of Lesotho's economy, what could be termed the electrification debate in Lesotho is inextricably linked to that of South Africa for the obvious reasons of structural connections between the two countries.

In South Africa issues relating to electrification have not only clearly entered the sphere of public policy research but have also been driven by a combination of economic activity and socio-economic and political pressure. Civic organisations have been instrumental in pushing the issue of electrifying the under-served communities of the country high on the state transformation agenda. Eberhard, a prominent scholar at South Africa's Energy Research Institute, has addressed questions such as those raised above

in the context of the underdeveloped parts of that country. Outlining reasons why grid electrification of urban and peri-urban areas would be the preferred energy supply option for domestic use, Eberhard has argued that "[o]nce the initial extension fee has been paid, electricity is in most cases cheaper than other fuels for cooking, heating, and lighting" (in Wilson and Ramphele, 1989: 328).

Eberhard arrived at this bold conclusion on the basis of two surveys, one carried out in Umlazi in 1979, the other in suburbs around Cape Town in 1982. The former survey determined that households without electricity spent on average R42 a month on fuel while typical middle-income households with electricity spent on average R18 a month, using energy in a safer and more convenient form. [The latter survey] ... revealed that families without electricity could pay up to three times as much on domestic energy than those families which had access to electricity (Wilson and Ramphele, 1989: 326).

These surveys helped to expose the fallacy of the popular myth that low-income groups and rural communities cannot afford electricity. On the contrary, as Eberhard has stressed, "the truth is that [the poor] can no longer afford not to have electricity" (in Wilson and Ramphele, 1989: 326). This argument underpins the point that provision of electricity needs to be seen more as a deliberate state policy to enhance the ability of the poor to reduce poverty and less as a means to advance the profit motives of corporations or the aspirations of the private sector.

According to Eberhard (in Wilson and Ramphele, 1989), grid electrification can be justified on several grounds. For the immediate purposes of this paper, however, it will suffice to spell out only two such grounds. First, the use of electricity for domestic purposes is environmentally safer

than the other forms of the so-called poor man's energy options - including coal with its high ash content. Second, access to electricity can permit the performance of a wider array of entirely new household tasks. It must be emphasised, nevertheless, that the benefits of grid electrification are not automatic; they flow from a clear vision and commitment to a future that the leadership of any country sets for itself. This presupposes not only visionary leadership but also long term planning, without which electrification schemes in the Third World will never be immune from unforeseen problems relating to short-term political expediencies. To borrow from Eberhard,

[t]hought should be given as to how the financing of electrification could be structured so as not to unfairly burden the initial consumers. ... Innovative financing schemes could also be developed to ease the initial costs of purchasing a range of electrical appliances. For electrification to be successful, it should be coupled with an integrated package of energy conservation measures including better house insulation, solar water heating, and awareness programmes of ways to use electricity efficiently in the home (in Wilson and Ramphele, 1989: 326).

In Lesotho, the argument that the poor cannot afford electricity has been usually justified on grounds that low-income and rural communities tend to be averse to the use of electricity, yet another myth often popularised by the ruling elite to rationalise the bankruptcy of official development programmes. In 1998 one official of Lesotho Highlands Development Authority (LHDA) made reference to a rural electrification scheme, which LHDA abandoned because people of the targeted areas rejected it for fear of electrocution. In her words: "*ba ne ba re motlakase ke kese o tla ba chouka*" [they perceive of electricity as gas/thing or

substance that chokes] (Mothepe, 1998). This unconvincing claim was made in response to one caller who suggested that a country-wide electrification programme would go a long way towards curbing the incidence of robbery and theft (especially of livestock), the two social ills that had been on the rise since the 1980s. Seemingly unsophisticated but profound, this caller's point was that "*masholu a tšaba khanya*" [thieves are averse to light] (unidentified caller in conversation, 1998).

The usefulness of the message contained in the foregoing viewpoints is, however, limited to the significance of electrification at a micro or household level. As suggested earlier, the degree to which issues such as these can be extrapolated to macro level depends on the political will of the ruling elite of a given country. We will now turn to highlighting elements of the debate in the specific context of Lesotho. Before doing that, an attempt at the history of electricity in Lesotho will be in order.

A History of Electricity in Lesotho

According to Stephen Gill (2004) the coming of electricity to Lesotho dates back to the early 1900s when the Paris Protestant missionaries introduced it to their headquarters at Morija. Throughout the early years of the twentieth century not much happened in terms of network expansion. Only in the 1930s did the colonial government begin to operate a small plant erected to supply Maseru. This plant was replaced, in the early 1960s, by a 2MW thermal plant. As with other sectors of the economy, the colonial government did little by way of making noteworthy improvements in the supply of electricity or its expansion to the rest of country.

In 1967, one year after independence, a Memorandum of Agreement was signed between the Government of Lesotho

(GOL) and the Electricity Supply Commission (ESCOM) (renamed ESKOM - used throughout the paper - since 2002) of South Africa for the latter to supply electricity to Lesotho. This agreement made it possible for electricity to be extended to other administrative points and growth centres (Khalema, 1992). Three years later, in 1969, the Lesotho Electricity Corporation (LEC) was established under the Electricity Act of the same year. In terms of this Act, LEC's responsibility was so broad as to include the management, transmission and distribution of electricity throughout the country (Government of Lesotho (GOL), 1969). In practice this has meant that the corporation's activities would encompass the establishment, acquisition, maintenance and operation of transmission lines as well as power generation plants (Khalema, 1992). This arrangement forced the status of virtual monopoly on the corporation, in keeping with the contemporary development discourse (GOL, 1987). Establishment of LEC marked only one step in what was to become a fairly complex, if bloated, parastatal system in the country.

For the first 35 years of its existence, LEC thrived essentially by means of a crude caricature of an import substitution strategy marked by purchasing electricity from ESKOM expressly for resale without adding any more value to the purchased commodity through further processing. By the early 1990s, LEC boasted of 1,100 kilometres of high-tension transmission lines, 17 sub-stations for down-rating voltage and more than 400 distribution transformers for stepping power to 380 volts. Typically, this tail-end resale has resulted in the situation where the cost of electricity in Lesotho became markedly higher than that of ESKOM.

ESKOM supplies LEC through four intake points: Maseru, Hololo Valley, Maputsoe and Peka. Apart from the

ESKOM supply there are a few mini-hydro and diesel operated plants in such parts of the country as Oxbow, Semonkong, Mantšonyane, Tlokoeng and Qacha's Nek (LHDA, 1989). Until recently, only the Mantšonyane mini-hydro plant had been connected to the main grid. Establishment of these small plants is, supposedly, in keeping with government's declared policy of extending development to the peri-urban and rural areas. LHDA takes the provision of electricity to the mushrooming, largely unplanned and unreserved areas as not only being an integral part of this policy but also a cornerstone of the LEC mission (LHDA,1989:3). Isolated experiments with alternative forms of rural electrification have done little to alter the larger picture of the country-wide electrification process. This begs the question as to how the Lesotho government's 'declared policy' measures against the evidence on the ground.

The pattern of access to electricity for domestic use continues to be skewed in favour of the urban, peri-urban and growth centres. At the close of the 1980s only 2 percent of the total population was estimated to have access to electricity (LHDA, 1989; Petersson, 1990). In 1988 this percentage translated into 10,800 households. Five years later, the accessibility rate was estimated to have risen to 5 percent (GOL, 1992: 100-101) while in 2005 it was reported to have reached the 11 percent mark (Privatisation Unit of the Ministry of Finance and Development Planning, 2003). Nevertheless, such an increase has not altered the basic pattern of access to this vital commodity: the residential sector - most of which is in the urban areas - accounts for a staggering 90 percent of the total national domestic energy consumption. The transport sector consumes up to 7 percent, while industry, commerce and government together account

for the remaining 3 percent. Most of the biggest consumers of electricity are urban-based. If the rate of connection increases by the projected factor of 1,7, the LEC consumer base will reach a peak of 50,000 households by the year 2010. Of these 6,000 - 10,000 households will be rural-based (GOL, 1997b:140; GOL, 1997c). The fact that this pattern discriminates against rural areas, especially those with little prospects of becoming growth centres is hard to exaggerate.

In theory at least, the conception of the 'Muela hydropower plant signaled the greatest possibility for altering the existing pattern of access to electricity in Lesotho. Why this possibility is yet to turn into a reality is the subject matter of the present article. To explain that failure it will be necessary to look beneath the surface of the 'Muela hydropower plant. Before doing that however, it will be necessary to conclude this section with another argument on the association between electrification and economic growth.

Electrification in Lesotho has not been marked by such a robust debate as has been the case in South Africa or other countries with strong economies where electrification programmes were initiated with a view to enhance economic growth. For instance, in South Africa since the 1920s, when the Electricity Supply Commission (ESCOM) was established as a public utility, such a link has been unambiguously clear. This has been the case in Lesotho. One consequence of this difference is that consideration of the subject of electricity in Lesotho has been a virtual monopoly of consultancy companies, donor agencies and government officials. Public reference to the need for electrification has thus been limited to political rallies where individual politicians have used it as a cheap strategy for attracting electoral votes.

One of the most ambitious pronouncements on social transformation that the ruling elite in Lesotho ever set for itself, even though it does not directly relate to electrification, can be found in the *Fourth Five-Year Development Plan*. This document outlines the overall ambition of the political state in Lesotho in the five years from 1986 as being

the structuring of the economy with a view to providing better living conditions for the people through the strategies of accelerated development and equitable distribution of wealth [including] maximising national income, creating internal employment and reducing poverty levels through rural development (GOL, 1987 :5).

That 'accelerated rural development' constituted the cornerstone of development strategy in Lesotho could not be clearer. By the mid-1980s policy makers in Lesotho were yet to view electricity as a crucial factor in rural transformation. However vaguely defined, rural development was seen as key to social transformation. The incongruity between theory and practice of development policies in Lesotho becomes more obvious when measured against answers to the following questions regarding the provisioning of electricity: to what extent has the generation of hydropower at 'Muela been tailored to align with strategies embraced in the aforementioned development blueprint? What is the evidence that the electricity generated at 'Muela hydropower plant has been used to contribute directly to poverty reduction and the betterment of the living conditions, especially for those living in the rural areas of the country? A careful look at the context of the 'Muela hydropower plant may help to lay the basis for answers to these questions.

'Muela Hydropower Plant in the Wider Politico-economic Context of Regionalism

The discussion in this section has three dimensions. First, it situates the 'Muela hydropower plant within the wider context of the politics of a neo-liberal agenda and regionalism which combined in various ways to give birth to the twin ideas of a regional power pool and the drive to privatize national electricity utility companies/corporations and/or their transformation into 'Authorities.' Special emphasis in this regard will be on LEC and the Lesotho Electricity Authority (LEA). Second, it takes the reader through the divergent viewpoints regarding the attractiveness (or lack of it) of 'project approach' as a vehicle for achieving national development. Third, it attempts to unravel the contradictions and ambiguities that seem to stand in the way of projects such as the 'Muela hydropower plant functioning as a catalyst for achieving the possibility of rural transformation through electrification.

The 'Muela hydropower plant is part of the Lesotho Highlands Water Project, a huge inter-basin water transfer project consisting of a series of dams connected through a network of tunnels. Its sole purpose is to generate electricity for Lesotho's domestic and industrial needs. Situated in what was once the Ha Nooe village, approximately 30 kilometers north of Botha-Bothe town, the 'Muela complex comprises the powerhouse cavern and associated waterways, galleries, adits and access facilities. According to the original plan, the plant was to become functional in 1996. In terms of the treaty that brought the LHDA into being, the responsibility of raising funds for the construction of this power plant would rest with the Government of Lesotho. The European Union (then EEC) pledged full support to enable Lesotho to complete this venture on schedule (Kratz

1989). It was anticipated that, when complete, the project would add no less than 125 kilometres to the then existing high-tension transmission grid within the country (Bereng, 1998).

Even though at its nominal rating the plant is capable of producing up to 81 MW, currently the 'Muela hydropower plant produces only 72 MW, which is reportedly adequate for national demand, which makes it possible for Lesotho to export surplus electricity in the amount of 15MW to ESKOM during summer months when national consumption is low. During peak periods, especially winter, Lesotho is compelled to import something in the region of 30MW of electricity from ESKOM (Sefali, 2007).

Throughout its gestation and early implementation stages, the 'Muela power plant was overshadowed by two contesting positions. One viewpoint held that the hydropower station amounted to no more than a mere spin-off whose realization hung precariously on the success of the overall water transfer project. In stark contrast to this perspective was the official representation, which painstakingly created the impression, first, that the hydropower component was made part of the Highlands project at both the initiative and insistence of the Lesotho Government, and second, that by virtue of the foregoing, the Lesotho Government adopted the 'Muela hydropower plant as a thoughtfully calculated alternative source of energy to ESKOM (Thoahlane, 1991). The position adopted in this article is that that the apparent absence of a wider public debate in relation to national electrification and its potential contribution to rural community-based industrial development in the initial and official policy documents of the Highlands project could not have been incidental. Rather, it reflected the fact that the policy making machinery

of the state understood the project predominantly in terms of how far it would enhance Lesotho's credit worthiness in the books of the international financial institutions. The 'Muela hydropower plant came as an add-on intended to correct an inexcusable omission.

Commentators and writers on the project tended to oscillate between these two extremes. As would be expected of a Government document, the *Fourth Five Year Plan* was quick to declare forthrightly: "The major thrust for Lesotho during the next two decades will be the tapping of the vast hydropower potential in the highlands" (GOL, 1987: 140). A similar sentiment was repeated three years later in a different context. Forecasting the potential contribution of the 'Muela hydropower to national wellbeing by the year 2000, architects of *Economic Options* did not equivocate on their vision of the electrification problem in Lesotho by the year 2000. "Our vision for the year 2000," they declared,

is an electricity sector characterised by locally-sourced, expanded and efficient supply to urban and rural centres. The 'Muela hydropower has a capacity to satisfy most of the domestic needs of the country. The prospects for this ... are reinforced by current efforts to harness the country's hydropower potential with mini-hydropower stations (GOL, 1997a: 142).

Needless to say, it will soon be ten years since the year 2000 elapsed, yet nothing approximating the vision as expressed in the foregoing extract has happened. In spite of that shortcoming, it is gratifying to note that this vision represents an acknowledgement by the political and commercial elite, albeit tacitly, that there is a real "possibility of improving the quality-of-life for (sic) the [nation by] making electricity accessible and affordable" (GOL, 1997a: 142) At the same time the extent to which this vision was

couched in the neo-liberal language of international financial institutions was also remarkable: the national elite recognised the significance of mini hydropower plants in remote areas less for a) their strategic position for national socio-economic transformation, and b) their environmental value, but more for being cost-effective "because they do not involve long distance transmission costs" (GOL, 1997a: 142).

The idea of power pooling and trading regionally in electricity can be traced back to the mid-1970s when the Apartheid government commissioned Henry Olivier to review regional hydro-electric power sources that could benefit the South African economy by enlarging its economy of scale. The idea was to connect the existing transmission lines in South Africa to those in Zambia, Rhodesia (modern Zimbabwe), Mozambique, Malawi, Zaire (now Democratic Republic of the Congo - DRC) and Tanzania. In a report released in 1976, Olivier saw such a move as having the potential not only for South African economic growth but also the possibility for a Pan-African transmission grid as well as other attendant economic benefits. Thus he wrote:

With a Pan-African power transmission grid, it will be possible to export and import electricity on the best use or most economic basis. There will be further by-products, such as the need to build the necessary dams, tunnels and stations. This would help materially to open up the presently remote areas (Showers, unpublished paper).

Notwithstanding the international sanctions, the steady growth of the South African economy meant that the demand for electricity was correspondingly growing, in turn warranting a search for alternative sources of energy to coal-powered electricity sources. This search was a precursor to the present power pooling initiatives (Showers, unpublished paper). Of immediate interest to this paper is

the fact that Olivier's report indicated no grid connection for Botswana, Lesotho and Swaziland, implying that these would be treated as mere extensions of the larger and stronger economies.

Southern African Development Community (SADC) member countries are characterized by a high degree of variation in terms of energy (especially electricity) needs and the potential to produce hydro power. In the latter part of the 1990s the disparities arising out of this have fueled the impetus for the integration of the energy sector and promotion of regional energy trade. In August 1995, an Intergovernmental Agreement creating the Southern African Power Pool (SAPP) was signed confirming "the region's commitment to expanding electricity trade, reducing energy costs and providing greater supply stability for the region's 12 national utilities" (SAPP, 2002: 1). SAPP's primary objective is to provide reliable and economic electricity supply to the consumers of each member state.

SAPP is part of the neo-liberal agenda of regional arrangements whose operation was intended to fall under two electrical subsystems - northern and southern - with three key players in each subsystem: Zimbabwe Electricity Supply Authority (ZESA), Zambia Electricity Supply Corporation (ZESCO) and *Société Nationale d'Electric* (SNEL) in the northern system while ESKOM, Botswana Power Commission (BPC) and Nampower would be the major players in the southern sub-system. Other member utilities would be aligned to the interests of these major players through a network of power interconnections. The underlying principle is that through these interconnections "countries are able to source electricity in bulk and then redistribute it nationally at cheaper prices" (SAPP, 2002: 1). As with other forms of regional arrangements, the problem

with SAPP is that it tends to cast a shadow on an individual country's sense of self-sufficiency. At any rate the SAPP Secretariat reckons that over the years SAPP is increasingly "evolving from a cooperative to a competitive pool" (SAPP, 2002: 1) where the profit motive, rather than utilitarian value for social advancement, becomes the prime reason for power generation.

One of the key features of SAPP's marketing strategies was the introduction of a spot market known as Short Term Energy Market (STEM) which, according to Elmissiry (2000) marked the beginning of SAPP's transformation from a cooperative approach to energy trade arrangements to a fully competitive, market-based entity. According to Showers (**unpublished paper**), one major effect of this transformation was that electricity ceased being an essential component of development infrastructure with a potential to contribute to an improved standard of living of the populace. On the contrary it assumed the character of a commodity just like cabbage or asparagus. In her words:

*No longer was electricity to be a component of the infrastructure essential for improved quality of life and economic development; it was to become a commodity that could be produced, valued, exported, and speculated upon - a new kind of 'cash crop' that changed perspectives on investment in large-scale energy projects, including the large civil engineering costs associated with hydroelectric power dams (Showers, **unpublished paper**: 19).*

Just as the prospect to sell surplus electricity to Europe is what "keeps Grant Inga alive", (Showers, **unpublished paper**: 24), so has the attraction of selling surplus electricity from the 'Muela hydropower plant to SAPP diverted the original idea behind the construction of the plant. This is the dilemma that has befallen the 'Muela hydropower plant.

The idea of promoting "the development and integration of African power systems through the interconnection of networks, exchanges of experience and know-how as well as the pooling energy resources (Union of Producers, Transporters and Distributors of Electric Power in Africa (UPDEA), (in Showers, **unpublished paper**: 14)," is not in itself a misconception. Rather it is an argument that makes perfect economic sense in the same manner that the sale of Lesotho's surplus water to South Africa's thirsty industrial heartland was justified while the majority of the rural poor continued to travel long distances to fetch water for basic household needs. The problem with this approach is that it tends to push the horizons of the possibility for the poor to access electricity further and further away.

At the beginning of the 1980s African countries had come to reckon with the importance and central role of energy as well as its contribution to industrialisation, poverty reduction and rural development, global and sustainable development, regional cooperation and sub-regional integration (African Energy Commission [AFREC], n.d.: 1). To this end, and as part of the Lagos Plan of Action adopted in 1980 by the Organisation of African Unity (OAU), the Extraordinary Economic Summit of OAU recommended the creation of an African Energy Commission which would be given the responsibility "to ensure, co-ordinate and harmonize the protection, preservation, development and the national exploitation, marketing and integration of the energy resources of the African continent"(emphasis as in original) (AFREC in Showers, **unpublished paper** : 20-21). This larger picture represents SADC's long-term regional integration strategy regarding the energy sector within which the generation of electricity from the 'Muela hydropower plant needs to be understood.

The 22nd of January 1998 saw the inauguration ceremony of the completion of the water transfer component of the LHWP, symbolising Lesotho's readiness to discharge water to the Gauteng industrial area at the rate of 18 cubic metres (18,000 litres) every passing second. The ceremony was something of a regional showpiece. Exactly twelve months later (on the 22nd January, 1999) the 'Muela valley witnessed yet another ceremony, this time marking the commencement of generating electricity. One local newsletter proudly described the occasion as "marking the entry of Lesotho into the production of hydro electric power in the southern African region" (National University of Lesotho, 1999: 8).

The occasion to celebrate power generation did not come anywhere close to the fanfare of the water transfer ceremony. Nor did the King of Lesotho feature in the programme of events. Instead, it was the Prime Minister who delivered the keynote speech clearly calculated to give the political weight it was thought to be carrying. Regarding both the generation and expected availability of electricity, the Prime Minister was less assertive than would be expected of a politician seeking to attract a sizable number of followers. He equivocated:

we are informed that the generation of electricity has begun at this plant, such that the power available in the country comes from here. Fellow countrymen this is a very important step forward. Everyone expects electricity to be widely available, not only in growth points but also in the villages including households. This will have an impact on the lives of the Basotho nation. We thus, hope that relevant institutions will ensure that this happens and that electricity is availed at affordable rates. At the same time, we know that initially the cost will still be high due to the fact of loan/debt servicing

(author's own translation from the original Sesotho text, Mosisili, 1999: 4-5).

The tentative nature of Mr. Mosisili's speech mirrored a two-level dilemma. At the individual level it suggested lack of assertiveness on the part of a politician with regard to the potential role of electricity in transforming the lives of the people of Lesotho, especially rural dwellers. Yet the Prime Minister found it politically expedient to say something about provision of electricity especially in the presence of such dignitaries. At another level the luke warm nature of the speech was indicative of the extent to which the completion of the 'Muela hydropower plant had become something of a conundrum for the political elite in the post-adjustment era marked by the neo-liberal agenda including privatisation of electricity utilities. It was for this reason that Mr. Mosisili found it expedient to exonerate himself by referring the matter to "*ba ikarabellang*" (those who matter or stakeholders) implying conveniently that such a responsibility was not within his sphere of political influence.

At the institutional level, this dilemma related to the need for clarifying the responsibilities and fine tuning the separation of roles/duties "between the LEC as the distributor and the LHDA as the supplier in respect to the 'Muela hydropower [plant]" (GOL, 1997a: 142; 144). At the political and policy level, the elite in Lesotho has had to choose between clinging onto the oft stated populist slogan of "taking-services-to-the-nation" and the Bretton Woods institutions' neo-liberal proclivity towards market forces to sort out national issues and priorities. The evidence concerning the provisioning of electricity suggests that the political elite in Lesotho has been inclined to follow the latter option. The essence of this dilemma becomes more glaring

when measured against the background of a country consisting mainly of low-income groups and rural communities with little capacity to handle the aggressiveness of a supply of electricity left entirely to the logic of the market (GOL, 1997a). This double-edged problem can be explained in terms of two related factors. First, the political environment in which the completion of the project took place was different from the one in which its conception and implementation got under way. Second, because of its weak economic base Lesotho cannot easily wriggle out of the conditions set forth by the bankrollers of the project, even when such conditions prove to be no longer in Lesotho's best political interest. Nothing testifies to this dilemma better than the issues pertaining to the privatisation of the LEC, as will be seen shortly.

A few local scholars have identified with the sentiments outlined in the foregoing paragraphs. Thoahloane is one such, to whom the sequence of events is clear: that the realization of the adverse effects of the cumulative expenses of importing electricity from ESKOM prompted the Lesotho government to search for alternative sources of energy, finding one in 'Muela. In his words,

the Lesotho Government decided to generate its own energy supply and thus lessen its dependency on South Africa's energy. This led to the inclusion of the hydropower component in the construction of Phase 1A of the Lesotho Highlands Water Project (Thoahlane, 1991: 86)

However, like other proponents of this perspective, Thoahlane was less concerned with asking questions about the relevance of electrification as a countrywide political programme of the state for purposes of expediting rural transformation. Similarly, it is not atypical for writers of this orientation to turn a blind eye to issues pertaining to class

interests poised to derive the real value for money invested in the project in its current form. It is not by accident that the closest Thoahlane comes to identifying the political orientation of the 'Muela hydropower is when he observes correctly that "The development of electricity in Lesotho has been in part determined by ... the influence of the international agencies" (Thoahlane, 1991: 88). This brings us to the threshold of highlighting some elements of the development discourse characterising what could conveniently be called a '*projectised* approach' to national development, which in turn provides the wider context within which both the conception and implementation of the 'Muela hydropower needs to be understood.

Elements of '*Projectised* Approach' to National Development

Up until the early 1980s, discourse on national development was characterized and driven by modernization theory, a paradigm that viewed the world in terms of discrete dichotomies and contrasts such as tradition versus modernity, the Western bloc versus Eastern bloc, the First world versus the Third World and so forth. The "modernisers" viewed the main object of development as being one of bringing traditional sectors of the economy into the fold of modern ones. From the mid-1980s, however, technocrats linked to international donor and financial agencies supplanted modernisation enthusiasts and moved a step further by placing an unprecedented emphasis on value for money in projects. Making projects cost-effective became something of a standard vocabulary of world's leading financial institutions. Almost simultaneously, another battle of ideas emerged and spawned a debate that elevated the profile of the notion of sustainability of development

projects within the world development community and associated institutions. One of the central concerns of this debate grappled with the question whether 'projects/schemes', or 'programmes,' promised a more reliable route to sustained socio-economic transformation.

In the opinion of the European Ministers the desirable option was unmistakable. Thus, they urged individual member states and the EEC as a whole

gradually to group the schemes they finance together to form, rather than isolated projects, programmes of significant financial size with a number of components which, without necessarily being defined in detail from the word go, were coherent and properly spaced out in time (European Community, 1987: 50).

Doubtless, the thinking along these lines was prompted by the high mortality rate of Third World development projects. Explanations of failure differed according to the orientation of those who offered them. From the modernizers' point of view, projects collapsed due to the resilience of tradition. For its part, technocracy associated the failure of projects with lack of managerial expertise and technical skills on the part of the political elite, which invariably becomes responsible for implementing projects in host countries. Rooted in the 1980s, this viewpoint gained currency in the 1990s (see World Bank, 2001).

What these variations have in common is that none of them saw the high mortality rate of projects as having anything to do with the inherent dynamics of the project approach to national development. Thus, to the extent that this paper is a contribution to this debate, its argument is that, as long as the 'Muela hydropower plant remains a project, its vast potential is bound to be highly circumscribed, more so, when its latent functions are

expected to perform outside the orbit of the framework of the domestic energy sector. The capital-intensive character of the plant, like that of the dam itself, tends, almost automatically, to exclude the interests of the rural poor from being its immediate or direct beneficiaries (see also Petersson, 1990). This technical exclusion of the rural population from the electricity generated at 'Muela power plant leaves the urban dwellers as automatic and/or direct beneficiaries. Moreover, the situation is more likely than not to be worsened by the "low projected revenues" (Petersson, 1990: 23) from the sale of power from this plant. The projection of low revenues from the sale of electricity from Muela seems to have been recognised not only by consultants such as Petersson; rather, highly placed officials of the LHDA were also alive to it. Asked whether generation of electricity at 'Muela would lead to a significant reduction of the cost of electricity in Lesotho, Mr. Tseko Bohloa, then Assistant Chief Executive of LHDA, offered an emphatic 'no,' reasoning that tariffs on electricity in Lesotho were tied to ESKOM tariffs (Radio Lesotho, '*Seboping*' January 20, 1998).

As indicated variously in this paper, patterns of electricity consumption in Lesotho suggest even bleaker prospects for the 'Muela hydropower to be effectively used for the uplift of the rural poor, let alone for promoting rural industrialisation. Indeed, Petersson (1990) is right in observing that "it is something of [a] paradox that although water is the only natural resource in abundance in Lesotho suitable for generating hydropower, commercial energy consumption is among the lowest in the world"../. Unless there is radical policy shift on the part of the political elite, this situation of Lesotho being among the lowest countries in terms of per capita consumption of electricity for domestic

use is unlikely to change for the better for many years to come.

The idea of rural electrification in the Third World is a paradise of paradoxes. For instance, Wilson and Ramphele (1989) tell a story that succinctly depicts such a paradox in the case of South Africa, a country that in the 1980s produced 60 per cent of electricity in the entire continent. Yet, for almost two-thirds of the total population in that country, the majority of whom were rural dwellers in the early 1990s, access to that energy remained a distant dream. The most striking image of this irony was the

sight of a group of elderly black women, each carrying on her head a load of firewood weighing up to 50kg, passing underneath the high-tension cables that carry the electric energy between the towns (and farmsteads) of the Republic (Wilson and Ramphele, 1989: 44).

If this irony has yet to become a fact of life for many people living in the mountainous areas of Lesotho, high-tension cables have become a familiar scene to most Basotho living in the lowlands, especially along the main road from Maseru in both northerly and southerly directions. It is indeed something of a paradox that for many Basotho, completion of the 'Muela hydropower plant has only meant the ability to pass underneath high-tension cables carrying energy from this power station to the main urban and growth centres of the country. The irony becomes even more glaring when measured against the fact that 184 households have had to relocate due to construction of power lines.

Southern African Power Pool, Rural Electrification and Divestiture of LEC

Part of the argument of this paper is that rural electrification and such arrangements as envisaged under the aegis of SAPP are strange fellow travelers. A national electrification programme stands less chances of success if it is designed more to align with the conditions set by international financial institutions and donor agencies than as an internally bred strategy for the betterment of the living conditions of the rural poor. To the extent that the 'Muela hydropower plant is designed to meet the neo-liberal agenda of such institutions, its potential contribution to uplifting the living standard of the rural poor is sure to remain highly constrained. It is on the basis of these considerations that we proceed to illustrate the relationship between the LHWP - of which the 'Muela hydropower is an integral part -and the institutional cooperation between the world's most powerful financial institutions and Lesotho as part of the adjusting world. Initially Lesotho's adjustment appeared somewhat benign, given the dependence of its economy on South Africa. Yet, this could be more apparent than real when considering that even in Lesotho the Structural Adjustment Programme (SAP) processes wrapped up with a privatisation agenda, hence the initiative to privatise the LEC.

A clear sense of the political climate that nurtured the birth of the LHWP can be gleaned from what Ake (1996: 93) aptly depicts as "[o]ne of the greatest drawbacks of SAP." If only to adopt his passion to one of the central arguments of this paper, Ake is worth quoting at length. In Africa, he argues,

the SAP regimes started before the [current] wave of democratization; a basis hardly existed for subjecting SAP to

a democratic mandate. The African leaders whose performance had contributed to the need for adjustment were neither in the habit of subjecting public policy to democratic determination nor willing to expose their governance record to public [scrutiny and] debate. In any case, by the time SAP became an issue [these leaders] had invariably run out of options. ... As a result, the internal and international promoters of SAP were disposed to its authoritarian imposition (Ake, 1996: 93).

By extension, Ake would view the fact that the politics of adjustment in Africa has been so typically authoritarian and violent, more as a reflection of these leaders' messianic faith in SAP policy prescriptions than an accident of history.

Measured against the backdrop of the foregoing extract, the logic behind the apparent irony of the World Bank's readiness to churn out huge sums of money into a country with so gloomy economic prospects as Lesotho would make sense. Indeed one possible explanation for this apparent irony is the hypothesis that the World Bank staff advisers pinned their hope on the revenue expected to accrue from the royalty fund estimated well in excess of US \$68million annually for fifty years (World Bank, 1987; Petersson, 1989). The Bank's soft attitude can further be explained by two other possibilities. The first is that, when it entered the adjusting world, Lesotho did not really have a serious external debt service problem, in spite of growing evidence of public debt throughout the 1980s (Petersson, 1989). This position served to strengthen Lesotho's creditworthiness in the books of the world's top financial institutions. Second, during the initial implementation stages of the project, powerful financial institutions were keen to win South Africa back into the fold of international financial markets. One strategy of achieving this objective was to entrench the

structural economic ties between the two countries, while the outcome of the collapse of apartheid remained uncertain. The highlands water project provided the best opportunity to achieve this objective.

One conditionality of SAP with direct bearing on electrification was the cuts on public expenditure. The spirit of this condition engendered a state campaign to shake off the responsibility of financing the large cost of connecting the rural areas to the main grid. It comes as no surprise that subsequently, officialdom has continuously blamed difficult terrain for its failure to make electricity available to the rural communities. One major commissioned study on the state of the art of rural electrification in Lesotho put it blatantly:

[i]nvestment in costly, capital intensive projects to connect (rural) villages to the existing network system would represent a misallocation of scarce financial resource because considerable distances would have to be covered by power lines on a very difficult, mountainous and ragged terrain in order to connect most of these villages (Bulane, 1990: i)

The problem with this way of looking at things is that it is less attracted to thinking about possibilities of alternative methods of lighting up the rural, remote and inaccessible areas of the country (CORE International, Inc. 2003).

Characteristically the LEC and international donor agencies speak in one voice in this regard. Too eager to please the financiers and because of running out of options, the political elite has been quick to appropriate the language of these institutions. Less clear, however, were matters of policy. For instance, the link between the LEC and LHDA's rural electrification plans remained murky for a long time.

As part of its privatisation programme and through its privatisation arm called the Privatisation Unit (PU), the

Lesotho government embarked on the Lesotho Utilities Reform Project (LURP) in 2001. Jointly financed by the World Bank (US\$26.6m), the African Development Bank (US\$8.6m), the European Union (US\$200.000) and the Lesotho Government (US\$2.0m) – a major component of LURP related specifically to the energy sector as it was intended to accelerate the privatisation of LEC and facilitate the establishment of the Lesotho Electricity Authority (LEA). The underlying belief was that this, and other reforms under the aegis of LURP, would provide stable, transparent and modern utilities frameworks as well as “pave the way for private sector investment capital and management to participate in the improvement of the coverage, efficiency, affordability and reliability of electricity ... services” (Privatisation Unit, 2002: 2).

The LEC was one of the 32 parastatals earmarked for divestiture when the Lesotho government embarked in earnest on the privatisation course from the early-1990s, a period that coincided with the return to democratic rule. Officialdom has it that the utility was listed for divestiture because it was so afflicted by rapid and significant deterioration of performance that by the year 2000 the following signs of malfunction had reached unacceptable levels in the context of a liberalising economy:

- low operating efficiency: at the ratio of 27:1 the LEC had more than double the number of staff needed for a utility of its size;
- substantial technical and non-technical losses;
- substantial financial losses as a result of total collapse of its billing system in July 1997;
- high operating costs and unsustainable investment programmes;

- lack of accurate data regarding its customer database;
- inability to operate its commercial activities effectively due to high costs of its operations (overstaffing, high electricity purchase costs);
- tariffs that were substantially below the true cost of supply in the country. Yet these had not changed, even in nominal terms, since 1994; and
- inability to respond to the increasing demand for new electricity connections (Privatisation Unit,, 2002: 2).

To a country set on a liberalising course there could be no more convincing argument for the need of government to shake off its shoulders the responsibility for a costly and highly inefficient organisation.

Two interwoven moves in the direction of full-scale privatisation were taken in 2001. One was the introduction of an interim management structure known as Interim Management Task Force (IMTF) to run the enterprise. The objective of this arrangement was two-fold: i) to arrest the LEC's further deterioration and ii) to clean up the organisation in preparation for privatisation. The other was the institution of what came to be known as the Sales Advisory Group (SAG) in the latter part of the year. As spelt out in PU's first annual report the role of the SAG was

to identify the best possible basis on which to offer to strategic investors in order meet the GOL's objectives of improving access to electricity, ending the reliance of LEC on State budget, and improving the operational performance of [its] business (Privatisation Unit, 2002: 8).

In addition to this task the SAG was also charged with the responsibility to advise on privatisation options taking into consideration issues relating to the structural separation of electricity functions, competition, the SAPP trading, interface with the 'Muela Hydropower plant, capital

structure and other institutional requirements for a meaningful sale of the corporation.

Enactment by parliament of the Lesotho Electricity Authority (LEA) Bill towards the end of 2001 was yet another move by government in pursuit of full privatisation of the electricity utility. The Royal Assent in April 2002 made the prospect of disposing of the utility even more imminent. However, delays in the submission of draft documents for Cabinet approval rendered the prospect murky, thus necessitating the extension of caretaker management of the LEC by a further period of eighteen (18) months, to end in September 2004. The Southern African Development through Electricity (Pty) Ltd (SAD-ELEC) was chosen for the assignment (Privatisation Unit, 2002). Developments in the course of 2004 not only once again necessitated the extension of management to September 2005 but also led to a revised implementation schedule for the privatisation of the utility (Privatisation Unit, 2004: 8).

In terms of general duties and functions, the LEA will be expected to perform quite a range of responsibilities. These include, but are certainly not limited to, the following:

- promoting the expansion of electricity supply in Lesotho, where it would be economic and cost-effective [to do so];
- ensuring the operation and development of safe, efficient and economic electricity sector in Lesotho;
- ensuring the security of the supply of electricity in Lesotho;
- ensuring the promotion of sustainable and fair competition in the electricity sector where it is efficient to do so;

- protecting the interest of all classes of consumers of electricity as to the terms and conditions and price of supply;
- ensuring ... the continued availability of electricity for use in public hospitals; and centres for the disabled, aged and the sick;
- ensuring the financial viability of efficient regulated electricity undertakings;
- ensuring the collection, publication and dissemination of information relating to standards of performance by licensed operators and on the electricity sector in Lesotho for use by the industry, consumers and prospective investors;
- participating, in consultation with the Minister, in regional and international matters relating to the regulation of electricity in Lesotho; and
- developing annual supply targets for the purpose of ensuring that such services are accessible to the widest number of electricity users (GOL, 2002: 770).

A mountain of duties indeed! Nonetheless, two issues stand out from this mountain. One relates to the sheer omnipresence of such concepts as 'economic,' 'efficient,' 'viable,' 'cost-effective,' no doubt indicative of neo-liberal basis of the whole privatisation campaign. Couching the Act in these terms, it was assumed, would invoke the magic of attracting private investment' and 'promoting local private sector development' in the 'electricity sector'.

The other relates to the regionalisation of the subject of electricity in 21st century Southern Africa in terms of which the SAPP has assumed the characteristic role of a parent institution with powers over national institutions. In carrying out its mandate as the national energy regulator,

the LEA would have first to consider the interests of the parent body. Part VII of the Act spells out this condition much more clearly with respect to the import and export of electricity. Even though the restructured LEC will be allowed to continue importing electricity from ESKOM pursuant to existing agreements, it can only do so "subject to conditions laid down by the Southern African Power Pool." (GOL, 2002: 803) Evidently this is what participating "in regional and international matters relating to the regulation of electricity in Lesotho" (GOL, 2002: 771) will also entail.

The story of the LEC divestiture represents an interesting twist of the privatisation process in Lesotho. Compared to the Plant Vehicles Pool Services (PVPS), the Lesotho Flour Mills, the Lesotho Bank and other former state-owned enterprises that became earmarked for privatisation, the LEC seems to be the only enterprise where government has been particularly keen to work for the most favourable terms. In turn, this has led to a situation where the divestiture has dragged on before any conclusive deal is reached. Asked why this has been the case, an official in the PU secretariat pointed to the failure of bidders to meet the requirements as set out in the tender documents (Mphale, 2005). However, a further look into the record suggests that part of the explanation may be that there were divergent views amongst key role players. Moreover, the general public claimed not to understand the whole process despite the PU's efforts to regularly publicise the exercise. Still others opposed the project from "ideological standpoints or other vested interests" (Privatisation Unit, 2002:22). With specific reference to the restructuring of the LEC, authors of the PU's first annual report were candid enough to reveal, however tacitly, that 'political sensitivities' have had their fair share in stalling the negotiations, thereby necessitating "the process

... to be approached in a disciplined and structured manner" (Privatisation Unit, 2004).

Whether or not this situation became directly responsible for the future direction of the negotiations is not entirely clear from the record. Incontrovertibly clear, however, is that the simple strategy of "privatisation by sale of majority shareholding" (Privatisation Unit, 2004: 9) has become a subject for extensive discussion with the World Bank supervision mission since 2003. The outcome of these discussions has been a shift away from the preferred method in favour of a public service concession approach that came to be approved by Cabinet in mid May of the same year (Privatisation Unit, 2004: 9). According to the PU's third annual report, this outcome has in turn meant that, compared to outright privatisation by sale of majority shareholding, a "public service concession approach" (Privatisation Unit, 2003:10) has become the preferred mode of divestiture.

The dominant tendency to explain projects within narrow economic parameters has invariably led policymakers to fall short of recognizing the fact that restructuring of the economy is an economic and political issue. This failure was a direct outcome of the developmentalist ideology which became pervasive in post-independence Africa. As indicated above, Lesotho has been no exception to this pattern. Instead of the kind of 'pork barrel' projects once so familiar in the West, in Africa projects have invariably been used by the ruling elite to garner the political support of those in whose name they are initiated. As a result, the elite usually establish amazing networks of patron-client relations with the economically deprived sections of the populations who never stop hoping that some day the elite will fulfill their promises. In reality,

however, the political/bureaucratic elite never misses out on taking full advantage of the disadvantaged position and organizational weakness of the rural poor. The story of the 'Muela hydropower plant exemplifies this contradiction. Ostensibly established for purposes of reducing dependency on ESKOM as the supplier of electricity to Lesotho, the power generated from the plant has come to be diverted from its nominally stipulated purpose and hived off to meeting the new regional needs of power pooling.

Summary and concluding remarks

This article has attempted to provide a history of electricity in Lesotho from the colonial times to the early twenty-first century. The multi-faceted nature of the subject has made it inevitable for this analysis to pursue multiple arguments. One of these is that the possibility of enabling the majority of the people of Lesotho to have access to the electricity generated from the 'Muela hydropower plant has been - and is likely to remain - curtailed by the fact that the plant came more as an add-on to the overall LHWP rather than an integral component of it; it was never conceived as an independent programme intended to play a role in the transformation of lives of the rural poor. This problem is further accentuated by the fact that countries like Lesotho whose survival depends on handouts from donor agencies often find themselves acceding to the demands imposed by donor agencies instead of crafting their own development programmes based on the realities of their national conditions. The weakness of both the economic base and the state renders these countries highly susceptible to the whims of the world's most powerful and influential financial institutions. The logic of the evidence upon which this study is based suggests that this has been the case with both the

building of the 'Muela hydropower plant as well as the idea of privatising the LEC.

At another level, this study has sought to demonstrate that, more than thirty years after independence, the pattern of electrification in Lesotho suggests continuity with the colonial policy rather than a notable shift from it. Available evidence further suggests a pattern of electrification that has been heavily skewed to favour the consumption patterns and lifestyle of urban-based elite to the almost total exclusion of the rural folk. Neither the establishment of the LEC nor the birth of the 'Muela hydropower plant seems sufficiently poised to alter the inherited colonial pattern of provisioning electricity. Typically, the excuse for this inherent feature would be that the cost, both of getting connected and utilising the electric power, is largely unaffordable to the majority of the people of Lesotho, most of whom live in rural areas.

Over the years the official policy (and practice) of electrification in Lesotho has fallen short of the materialist perspective which inspires this article, that is, of the potential role of electricity in elevating the national economy to a higher stage of social progress. Most of the documentary evidence used for the study suggests that, up to the 1990s, the potential role of electric power in socio-economic transformation was meekly acknowledged by the political and economic elite in Lesotho. It was not fortuitous that in his speech marking the official opening of the 'Muela hydropower station, Prime Minister Mosisili could only timidly remark on the potential role of electricity in social and economic transformation. Only in the 2000's do we encounter isolated incidences of indicative statements (predominantly by politicians either at political party rallies or at the official opening of village electrification schemes)

that proffer a direct link between the two. Similarly it is not coincidental that before the 2000s virtually none of the political parties has ever been daring enough to use provision of electricity for poverty reduction as an integral part of their electoral campaign strategies.

If establishment of the Lesotho Electricity Authority was a response to the need for Lesotho to qualify for a status in the SAPP as a regional arrangement, surely that did little, if any, towards approximating the materialist approach of electrification that informs the arguments being advanced in this article. Neither did it do much to enhance the possibility of making electricity accessible to the majority of the populace, as profit motive becomes the determining factor in the production and stocking of electricity.

The problem with rural electrification as currently conceived is that it does not seek to transform the rural areas into a dynamic socio-economic entity capable of promoting socio-economic activities and programmes aimed at reducing rural-urban imbalances on a sustainable basis.

In reality, therefore, the gap is huge between numerous policy statements on electrification and the evidence on the ground, particularly as regards the role of electricity in elevating the lives of poor people to a higher standard. At best, the rate at which electricity has been made accessible to the under-privileged sections of the populace in Lesotho since independence has been negligible. This unimpressive record suggests continuity of the colonial policy of availing facilities to the bureaucratic elite in the administrative and growth centres. Electrification with the express purpose of rural transformation and motivation of economic growth has yet to be conceived in Lesotho. Thus the potential role of the electricity coming out of the 'Muela hydropower in uplifting

the living conditions of the rural poor in Lesotho remains highly curtailed.

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