The Extractive Industries and Society 7 (2020) 975–981

Contents lists available at ScienceDirect

The Extractive Industries and Society

journal homepage: www.elsevier.com/locate/exis

Original article

‘A concealed economy’: Artisanal diamond mining in Butha-Buthe district, Lesotho

Esther Makhetha[a,*], Sean Maliehe[b]

[a] Graduate School of Business Leadership, University of South Africa, Midrand 1682, South Africa
[b] Department of Historical and Heritage Studies, University of Pretoria, Pretoria 0002, South Africa

ARTICLE INFO

Keywords:
Artisanal mining
Labour
Remittances
Regional mining complex

ABSTRACT

This paper examines the livelihoods of Lesotho's Basotho people in the highlands of the country. It focuses on the rural artisanal diamond mining communities in the Butha-Buthe District in the northwest of the country. The paper draws on ethnographic insights and oral sources from the district's villages of Kao and Liqhobong, the epicentre of artisanal diamond mining in the country. It is argued that artisanal diamond mining is an indispensable aspect of a livelihood activity – a blend of agrarian and non-agrarian activities characteristic of Basotho forms of economic organisation in the face of economic hardships across time and space. The paper offers a window into the activities of a historically and ethnographically hidden economy. It demonstrates that artisanal mining is concealed by two meta-narratives. First, it is historically obscured by popular constructions of the Lesotho economy as a ‘labour reserve’ for South African mines. Second, artisanal miners conceal their activities and the existence of diamonds as a means to protect themselves against government and multinational corporations’ aggressions and criminalisation.

1. Introduction

1.1. Geographical and historical context

Artisanal and small-scale mining (ASM) is an important economic activity for marginalised communities across sub-Saharan Africa, it employs tens of millions of people directly and creates millions more jobs in the upstream and downstream industries it spawns (Hilson et al., 2018; Hilson and Maconachie, 2017). Most of those directly involved in mining forage for minerals in gravelly areas, streams, and open and closed mining pits (Hilson, 2009). In Ghana alone, one million people depend on ASM for their livelihood, which is significant when considering that only 20,000 people are employed in the country's large-scale commercial mining sector (Folda et al., 2018; Hilson et al., 2014).

Research conducted elsewhere in the region reinforces the fact that ASM, regardless of whether it is legal or illegal, is now an indispensable component of sub-Saharan Africa's economy, intricately connecting urban and rural spaces. In Sierra Leone, for example, proceeds from artisanal mining are reinvested into other spheres of the local economy to support households and agrarian activity (D'Angelo, 2019; R. Maconachie, 2011; Maconachie & Binns, 2007). In Tanzania (particularly Geita Township), enterprising miners invest in commerce, real estate and the hospitality industry. In the Tanzanian townships of Nyarugusu and Mgusu, miners reside in well-constructed homes – recognised as one of the markers of upward mobility (Aizawa, 2016; Jønsson and Bryceson, 2017; Mwaipopo et al., 2004).

Over the past decades, agricultural productivity has deteriorated in sub-Saharan Africa (Bryceson, 1996, 2019; Thabane & Pule, 2004; Van Bockstael and Vlassenroot, 2011). In colonial South Africa, following the discovery of minerals in the nineteenth century, state development policies began to alienate Africans from their land and discourage independent means of economic organisation (Bundy, 1979; Maliehe, 2017; Murray, 1980). Though colonialism undermined agricultural production, new economic patterns emerged. Those employed as migrant workers at large-scale mines used their wages to support farm production back at their homes, which for many of those working in South African mines were across the border in Lesotho. Others invested in commerce (Maliehe, 2014). However, from the 1980s onwards, South Africa's mines have experienced massive retrenchment, and many rural households and smallholder farmers have faced economic uncertainty and ever-narrowing opportunities. Nonetheless, the resulting ‘reverse migration’ of retrenched miners back to their traditional homes has created new economic patterns in post-mining communities; the emergence of the ASM sector is one such pattern (Bryceson, 2002; Van Bockstael et al., 2011).

Despite its increasing importance, ASM is characterised by visible

* Corresponding author.
E-mail addresses: makhee@unisa.ac.za, makhee@unisa.ac.za.esther (E. Makhetha).

https://doi.org/10.1016/j.exis.2020.06.010
Received 7 December 2019; Received in revised form 15 June 2020; Accepted 15 June 2020
Available online 02 July 2020
2214-790X/

and significant externalities, two of which we will mention here. First, it has adverse environmental impacts. Irrespective of the scale, mining operations are a source of dire environmental degradation. Notable environmental concerns include air and water pollution (Aryee et al., 2003; Hinton, Veiga & Beinhoff, 2003; Hilson and Pardie, 2006; Mayala et al., 2016), land degradation through continuous pitting and trenching with no remedial reclamation, as well as deforestation in the process of searching for ore (Hilson, 2002). Second is child labour and participation of children in the rural economy through ASM (Maconachie and Hilson, 2016; Potter and Lupilya, 2016).

Acknowledged shortcomings associated with ASM can be mitigated through effective regulation and meaningful formalisation. In many African countries, like Lesotho and Malawi for example, ASM remains illegal. Even in countries where ASM is government regulated, artisanal miners find it difficult to operate within the realm of state law. Ghana is one of the countries that legalised ASM, in this case in 1989 (Ayamba et al., 2017; Hilson and Potter, 2003), but it remains difficult for miners to acquire licences. Prospective applicants must navigate through endless layers of bureaucratic red tape and corruption. These processes include a lot of paperwork, high fees to obtain documents, and limited availability of land where legal miners can work (Banchirigah, 2008; Geenen, 2012; Marshall and Veiga, 2017).

Due to the laborious bureaucratic procedures, many individual miners get discouraged. As a result, they often opt for the relatively easier route of operating outside legal confines (Banchirigah, 2008; Hilson et al., 2017). Rather than creating favourable conditions and effective regulatory frameworks to enhance the potential of mining for the impoverished rural majority, some governments use the shortcomings of ASM to justify its vilification and criminalisation and muster support for big capital, which has its own forms of corruption and economic elitism (Geenen, 2012; Hilson et al., 2017). The following section explores the overview of case study.

1.2. An overview of the case study

This paper presents a case study of Lesotho. Within the context of the political economy and economic history of Lesotho, we advance the argument that with the collapse of the southern African regional mining economy in the 1980s, 'reverse migration' ASM began to play a significant role in the livelihoods of rural communities in Lesotho. Using a case study of two villages – Kao and Liqhobong – located in the Butha-Buthe district in the north-western parts of the country we use ethnographic insights to explore ASM in Lesotho.

We argue that in Lesotho, ASM occurs within a 'concealed economy'. The word 'concealed' highlights the historical and ethnographic insights. In southern African historiography, Lesotho was referred to as a 'labour reserve' (Amin 1972; Murray 1980). This popular conceptualisation obscured various forms of economic organisation amongst the Basotho within the country, ASM included. The labelling of Basutoland and subsequently Lesotho as a 'labour reserve' projected an idea of passivity with Lesotho portrayed as nothing more than a 'container' of cheap labour with no independent economic activity.

Lesotho, like many other countries in Africa, has a long history of ASM. While some important work on this history has been carried out – most notably by Thabane (1995, 2000) – scholarly work on ASM remains in its infancy. As yet, there is no long-term qualitative analysis of Lesotho artisanal miners' lives in contemporary times. Research into this area is particularly challenging, given the illegal status of ASM in Lesotho. The government allegedly justifies the prohibition on ASM activities so as to disassociate itself from the illegal industry around conflict diamonds.

Despite the long history and significance of ASM to rural communities in Kao and Liqhobong, successive post-independence governments of Lesotho have persistently marginalised, trivialised and criminalised ASM. Mining policies support big capital and neglect artisanal mining (Central Bank of Lesotho, 2012; Chefa, 2014; Maleleka, 2007). This lack of attention to ASM in Lesotho is further compounded by the fact that ASM remains illegal. Currently, as the government puts it:

> The artisanal and small-scale mining (ASM) sub-section is especially challenging for Lesotho. Currently, ASM activities are not legally permitted in the country . . .

For fear of creating loopholes for illegal exportation of conflict diamonds, the Government has not legalised mining of industrial minerals and semi-precious stones by ASM sub-sector.[1]

The following section describes the research methodology and ethnographic sites. This is followed by a brief exploration of the history of Lesotho as a labour reserve in the regional mining economy and the consequences of the decline of the regional mining complex. A political economy approach is used to chronicle the history of ASM with a view to analysing how governments, in order to protect big capital interests, have marginalised, suppressed and criminalised ASM in Lesotho. The paper further suggests that, with the decline of labour migration to mines in South Africa, many of Basotho are left in Lesotho to develop novel, more flexible and dynamic livelihoods strategies, including ASM. Section 4 explores contextual features and contemporary artisanal diamond mining, followed by the conclusion.

2. Research methods and ethnographic sites

This article draws from fieldwork conducted in various sites, which includes archives, government offices, and the urban areas of Maseru and Butha-Buthe, and nine months of ethnographic research in the rural highlands of Lesotho in Kao and Liqhobong villages. The highlands of Lesotho is a mountainous area with scattered settlements, poor roads and meagre services, and it contains some diamond deposits (Maliehe, 2015: 19). The lowlands consists of urban areas characterised by better business and government services, infrastructure, transport, communication and information (Maliehe, 2015: 19).

The fieldwork was undertaken between May 2013 and January 2014.[2] Thirty-five unlicensed diamond miners were interviewed in these villages. These were mostly men aged 17 to 75 years. This number included some miners coming to the two villages from different parts of the country, particularly from the districts of Mokhotlong, Thaba-Tseka and Mohales' Hoek. Since the lead researcher lived in the local villages of Kao and Liqhobong, interviews were conducted throughout the day subject to the miners' schedule. The leading author also visited artisanal diamond miners at their homes and visited mining sites to interview and observe them while digging for diamonds.

Liqhobong and Kao villages are in the highlands of Lesotho, located about five kilometres apart (Fig. 1). They are in the Butha-Buthe district in the north, which is the smallest district in the country, Butha-Buthe covers an area of 1789 km^{2}s, representing about six per cent of the total area. Geographically, the district is situated between 28° 46′ south and 28° 15′ east. It shares borders with the Leribe district in the south and Mokhotlong in the east. Butha-Buthe district is divided into three ecological zones; namely the highlands or mountainous areas (50 per cent), the foothills (36 per cent) and the lowlands (14 per cent) (Trillo-Figueroa, 2009).

3. Historical background: The rise and fall of the 'labour reserve' configuration

The discovery of minerals in southern Africa in the second half of the nineteenth century was a turning point in the history of the region. Diamonds were discovered in Kimberly in 1868 and gold in the Witwatersrand in 1886. The large-scale exploitation of these minerals

[1] Lesotho Mining and Minerals Policy Green Paper, www.ls.undp.org, [2014, December 16]

[2] Draws on the PhD fieldwork of the leading author.

Source: Firestone Diamonds[3]

Fig. 1. Locations of Liqhobong and Kao villages
[1]Liqhobong, www.firestonediamonds.com/operations/mining-operations/liqhobong [2014, January 10].
Source: Firestone Diamonds[1]

increased labour demands. Through colonial policy, subjugation and big capital, European imperialists dismantled Africans' preindustrial economic formations and independence in attempts to create cheap labour, dependant on low wages. The effect of the discovery of precious minerals on the populations of southern Africa was profound as Feinstein (2005) observes:

> [African economies were] totally transformed by the discovery of diamonds and gold in the late nineteenth century. From that point forward, the economic history of [southern Africa] becomes, in essence, a story of how this unique combination of indigenous populations, European settlers, and mineral resources was brought together in a process of conquest, dispossession, discrimination, and development to promote rapid economic progress. . . It is this history of the incorporation of the African people that paved the indispensable labour for a modern economy…Africans progressively lost the possibility of continuing to farm independently…[*p*. 47]

By the turn of the century, Basotho men were in the majority in the South African mines (Amin, 1972; Arighi, 1973; Bundy, 1979; Feinstein, 2005; Murray, 1980). The participation of Basotho in wage labour in the 1860s was principally aimed at acquiring more cattle, ox-drawn ploughs and guns. So, as Basotho were drawn into a regional labour market constructed around the mining industry, the importance of agricultural production, nationally and for rural livelihoods, declined. Hence, dependence on wages eroded independent farming by Basotho. Nonetheless agricultural production in 1860 was still a major source of livelihood and men spent only limited periods in wage labour.

Thabane (2002: 108) calls this phase of wage labour ‘discretionary labour migration’, mainly because the earnings from work in South Africa were not yet pivotal to the livelihoods of Basotho households. Consequently, migrant workers were selective with regard to the employees they chose to work for. Such ‘economic independence’ from employers gave Basotho substantial bargaining power in terms of wages and employment conditions. However, such flexible labour proved incompatible with the need of capital for more stable, predictable and controllable labour supply, particularly at a time when commercial farming was beginning to compete with mining for cheap labour. As a result, the colonial state in South Africa used various coercive methods to ensure that Basotho labour was forced off the land and made available to the colonial state's construction projects and to individuals who needed labour for the mines and farms (Thabane, 2002). Increasingly, Basotho migrant workers were forced into long-term contracts that required them to stay in mine compounds for stretches of time.

Simultaneously European imperialists freed up labour by dismantling Basotho's pre-colonial socio-economic, political and trading activities, which had supported their relative autonomy in relation to the global economy. Colonial laws, Thabane (2002) argues, effectively undermined the pre-colonial socio-economic structures of the Basotho by ensuring that monetary rather than other forms of exchange became the primary means for securing basic necessities. The process of freeing up labour for the emerging regional labour market was also achieved by forcing Basotho off their rural lands through the introduction of a Hut Tax in 1870. The tax could only be paid in cash, which in turn forced Basotho to abandon their lands and agricultural production and work for wages in the mines (Boehm, 2003; Maleleka, 2007; Theal, 2002: 500).

There were also other factors, unrelated to the development of capitalism in the region, which contributed to the decline of the economic autonomy that had characterised early colonial Basutoland (later renamed Lesotho). These include drought and animal diseases, notably rinderpest (Boehm, 2003; Murray, 1980). The regional colonial context and changes in transport infrastructure also had an impact on Basotho participation in the regional market for food. The neighbouring Free State Republic (the Free State was later incorporated as a province into the Union of South Africa and it borders on Lesotho) imposed tariffs on Basotho produce in the 1890s forcing Basotho to sell at higher prices. Completion of the railways into the interior of the Free State Republic meant Basotho struggled to compete with cheaper grain imported from overseas. Moreover, loss of arable land to the Boers in the 1850s left Basutoland with mostly mountainous areas unsuitable for agricultural production. The agricultural potential of the remaining available land was further reduced by soil erosion, further undermining Basotho's relative economic independence (Boehm, 2003; Maleleka, 2007; Murray, 1980).

The consequences were unsurprising. By the beginning of the twentieth century, a higher number of Basotho males than ever before were working in the mines to support their families. For example, in 1904, there were 86,000 working in the mines out of the total population of approximately 349,500 (Stevens, 1967: 39). In 1906, a railway line that connected Basutoland's capital, Maseru, with South Africa was completed. As a result, the number of Basotho working in the mines increased further (Stevens, 1967: 39). By the 1920s, Basutoland's position as the main supplier of labour to South African mines was cemented. In this regard, as Murray (1980) argued, Basotho could no longer be described as an agricultural society. Small-scale agricultural production that survived this process was maintained through wages from the mines (Pule and Thabane, 2004). Similarly, as Ferguson (1990) has argued, it was remittances from wage work that supported the bovine mystique in livestock production. Meanwhile, remittances became a mainstay of rural households. Murray (1980) argued that it became imperative for men to support the family unit by moving away for wage-work resulting in his thesis on ‘families divided’. Mine workers invested also in various types of small businesses, including informal enterprises, retail stores, mills, transport and tailoring (Maliehe, 2013; Thabane, 2002).

The dependence of Basotho on these rural non-farm activities increased as South African mine employment opportunities declined from the 1980s. In the 1970s, there were about 130,000 Basotho working in the mines but in the 1980s, owing to massive retrenchments, their numbers had declined to 50,000 (Boehm, 2003) and have declined further since then (Central Bank of Lesotho, 2011a; Love, 1996). When these retrenched miners returned to Lesotho they typically embarked on agricultural production or other non-farm activities to improve their livelihoods. These included home-brewing, which was mainly done by their wives or a female person in their household, and small businesses that included selling of wood, the main source of fuel in the highlands.

In the communities of Butha-Buthe, the significance of artisanal diamond mining has increased. Since the 1930s, the economy of the communities in the villages of Kao and Liqhobong has been organised around independent artisanal diamond mining as a way to support and supplement the traditional pastoral and agricultural way of economic life (Thabane, 2000). However, with the collapse of the regional mining complex, rural households that depended on remittances from South African mines were adversely affected, hence the revived significance of artisanal diamond in the highlands of Lesotho.

The following section explores the contestation between international commercial mining companies and Basotho individual diggers, as well the government of Lesotho.

3. Artisanal and small-scale mining and big capital in Lesotho

As far back as the 1930s the fact that diamonds were present in Basutoland was common knowledge to local people in the rural villages of Kao, Liqhobong, Letšeng, Kolo, Nqhechane and Hololo. However, the state officially acknowledged the presence of diamonds only in 1954 (Thabane, 2003: 148**)**. Kao has the most significant historical position in the mining history of the country, including that of ASM. In fact, it was the epicentre of the activities. Following the official declaration of the presence of diamonds in Kao, individual diggers from various parts of the country and South Africa descended on potential diamond deposits hoping to make their fortunes (Thabane, 2000: 105).

Armed with this new knowledge of the availability of diamonds, the British colonial government convinced Paramount Chieftainess ’Mantšebo Seeisoto grant a five-year exclusive prospecting and mining right over the entire country to one Colonel Jack Scott. Scott represented General Mining Finance and Corporation (GENCOR), a South African company (Thabane, 2000: 105). Based on his findings, Scott considered Kao to be the most economically viable site amongst those prospected. He subsequently joined forces with De Beers, another South African mining company, and together they formed Basutoland Diamonds, which started its operations in 1959 (Thabane, 2000: 106). Anglo-American Corporation operated in Kao and Liqhobong in the period between 1962 and 1964. The limited lifespan of the mines led to the discontinuation of the commercial mining operations in 1967, in the process enabling artisanal diamond miners to return to the sites (Ambrose, 2004; Central Bank of Lesotho, 2012; Maleleka, 2007; Thabane, 1995).

Due to the exclusive rights granted to big companies, all mining activities by individual miners were prohibited (Thabane, 2000). However, during the period in which these companies had exclusive mining rights, there was resistance from local people. In Kao, some individual diggers forcibly entered the mine, eventually taking control of the deposit in July 1961. They achieved this by occupying the area as soon as the Basutoland Diamonds employees went temporarily to the lowlands to escape the harsh winter conditions of the highlands. The colonial government responded by persuading Paramount Chief Bereng Seeisoto declare an alternative site, the ‘uneconomic’ deposits of Letšeng,[3] open to individual diggers, in other words, the individual diggers were persuaded to move from Kao to Letšeng. As the diggers moved to the newly opened site, Basutoland Diamonds was able to reoccupy the Kao site (Thabane, 2000).

Individual diamond mining in Letšeng was subjected to strict governmental control. Diggers who could not meet government's requirements stayed in Kao where they ‘poached’, illegally mined diamonds from the Basutoland Diamonds deposits. They secretly mined diamondiferous ore at night and processed it during the day. This was a group of miners that called itself *Liphokojoe* (the Jackals) (see Makhetha, 2017; Thabane, 2000), who resided in the neighbouring hills and caves. They were motivated by two major factors. The first was the fact that Kao was being mined by foreigners whom they felt had no citizenry claims to minerals in Lesotho. Secondly, unlike Letšeng, the Kao site was not guarded by police (Thabane, 2000:107).

In 1967, the Jackals (*Liphokojoe)* militantly drove Basutoland Diamonds out of Kao, besides the commercial mining companies given the exclusive rights. As a result, they succeeded in opening the area to more informal diamond diggers (see Makhetha, 2017; Thabane, 2000). The newly independent government of Lesotho, which had ascended to power in 1966, attempted to force *Liphokojoe* to obtain licences for digging. Their attempt to regulate the Kao site led to a revolt against the new government by diggers in both Kao and Letšeng. Three years later, in April 1970, the Lesotho government deployed the police and military to brutally repress *Liphokojoe* (Thabane, 2000).

In the late 1970s, in an attempt to control artisanal and small-scale mining and discourage any future prospects of revolt, the government brought together licensed individual diamond diggers and sponsored them to form a cooperative – the Liqhobong Diamond Mine Cooperative. The cooperative membership consisted of about 900 male and female diggers. It was tightly controlled by the government, which placed state officials in the leadership positions (see Makhetha, 2017: 145).

The Liqhobong Diamond Mine Cooperative operated until in the 1990s when it was taken over by MineGem, a Canadian company. The two stakeholders, Liqhobong Diamond Mine Cooperative and MineGem (Liqhobong Mining Development Company-LMDC) signed the takeover agreement. MineGem then carried out mining and feasibility studies in Liqhobong until it was bought out in 2003 by the London-based Kopane Diamond Developments in conjunction with the Lesotho government. The Lesotho government owned twenty-five per cent with seventy-five per cent owned by Kopane Diamond Developments. Kopane operated from 2003 to 2010, when it was taken over by Firestone Diamonds. Firestone Diamonds is still operational in Liqhobong (Ambrose, 2004; Hall, 2004; Makhetha, 2017).

Thereafter, these mining sites became places of contestation between international commercial mining companies and individual diggers, with the state opting to side with the commercial mining companies most of the time. In other words, it became a microcosm of the forces and dynamics that shape economic life in Lesotho and elsewhere. The contestation evolved into a three-pronged conflict between

[3] Letšeng is in the district of Mokhotlong, and Kao in the district of Botha-Bothe, and they are approximately 35 kilometres apart by road.

commercial mining companies, individual diggers, and the government (Thabane, 1995: 52). This contestation over land and access to natural resources between rural artisanal diamond miners, an urban-based state in Maseru, and international mining companies continued until early 2000. At this point the Lesotho state used an international treaty, which sought to make the international trade in diamonds more transparent, as a means of shutting down artisanal diamond mining. It ceased issuing diamond diggers' licences to individual diggers from the highlands and offered international mining companies exclusive rights to extract its diamonds. This is the current state of affairs.

In 2014, Chefa[4] carried out a study investigating the ownership of mines in Lesotho. Apart from revealing that most of the mines are owned by foreign investors, Chefa also showed that local politicians, business elites, and their families and friends have vested interests in the country's mining sector. Chefa (2014) argued that, in supporting big companies over artisanal diamond miners, the government actively criminalised artisanal diamond mining. To this end the government introduced the Mines and Minerals Act of 2005, which effectively prohibits ASM. Despite these elitist efforts, individual Basotho digger have continued with their operations.

The next section of the paper covers the period subsequent to the banning small-scale of artisanal mining by individual diggers in 2000.

4. Artisanal diamond mining in contemporary Lesotho

As seen, diamond companies operating in Kao and Liqhobong took over the areas where individual diggers had previously mined diamonds. After the formalization of the mining sector, individual diggers moved to the riverbanks to sieve or dig for diamonds, with some going as far as the dumping sites to rework the ore dumped by commercial mines. This has also been the case for small-scale gold miners in Colombia who trawl the leftovers of gold mining from large scale mining companies (Jaramillo, 2020). Mr Moremo-Moholo (52 years), an unlicensed miner from Kao, had the following to say in an interview:

> The commercial mine took our land [pasture] (*makhulo)* and fields (*masimo)*. Our livestock (*liphoofolo)* has nowhere to graze, and even the land where we used to dig diamonds (*cheka)* is taken. We are left to scavenge in the river in order to live (*ho ngoapa ka nokeng hore re phele.)*
>
> (Interview, Moremo-Moholo, June 2013).

Individual diggers perform all mining roles themselves. These include digging for ore, taking it out of the pit, and washing and sieving the ore for diamonds. They mentioned that they prefer to work individually because the diamonds in this location are scarcer than they were in the places taken over by the multinational corporations. Therefore, they do not want to split their profits with many people.

Diggers use rudimentary tools that include picks, shovels, spades and buckets. Miners rarely buy mining tools as they get them from former miners within the village, based on kinship and community relations. Buckets are used for carrying soil to the other side of their working area. Bowls are punched and turned into sieves for panning. Their buckets and bowls differ in size from five litres to twenty litres. Mr Lerapo (40 years), an unlicensed miner and villager from Kao, illustrated how he carried out his mining activities:

> I dig and pull stones/rocks with the spade. After that, I collect the soil (*mobu)* and mix it with water and then sieve for diamonds. Or at times, I dig the mud inside the running river water. I clean this mud in order to locate diamonds. Once I find a diamond, I celebrate and tell other miners nearby to rejoice with me. Nonetheless, in most cases I find *lirubi (rubies)* and small diamonds
>
> (Interview, Lerapo, July 2013).

4.1. Trade in diamonds: The formal-informal dialectic

At the beginning of the twentieth century, miners used to exchange diamonds for goods and other items of everyday use. However, over time, cash become the dominant medium of exchange. Miners normally put a price on their diamonds based on the size, colour and quality. Priority is placed on whether the stone has cracks or not. The larger and clearer a diamond, the higher the price (tentative prices are listed on the Table 1). Colours of diamonds range from clear crystal, yellowish to bluish. The most preferred colour by the buyers is *top white* (transparent and crystal clear). Yellowish diamonds are the most prevalent in Liqhobong. The size range of the diamonds starts with what is locally known as *tsoekere* (grain of sugar), going up to *lebele* (grain of sorghum), '1′ (1 carat), '2′ (2 carats), '3′ (3 carats), and some bigger sizes.

Diamonds are normally sold to foreign traders, mostly South African men. According to some informants,[5] the traders from South Africa sell their diamonds to South African commercial diamond mines.[6] It is a situation similar to that of Ghana and Mali, where dealers smuggle the diamonds mined by artisanal miners into the Kimberley Process pipeline through a neighbouring country (Bieri and Boli, 2011). Even though there is no direct evidence of this, it is very likely that diamonds mined by unlicensed and informal artisanal miners in Lesotho, and sold to buyers from South Africa, end up in the legal and formal South African diamond market and ultimately find their way to the international markets through KP certificates as 'legal', or as having been mined in South Africa. Dietrich (2000: 332) made such an argument when he claimed that diamonds mined in Lesotho are smuggled to South Africa for sale in the country's Free State province, which has a border with Lesotho. Dietrich speculates that the high number of aircraft registered in Maseru in 1999 is directly associated with diamond smuggling operations, suggesting that Lesotho plays a much larger role in the laundering of diamonds than is commonly assumed.

One of the research participants, Mrs Mathabo from Kao, in a 2013, described the typical sale of a diamond to an outside buyer in the highlands in the following terms :[7]

An outside buyer is taken to a homestead in the village by a local artisanal diamond miner, often accompanied by three to four friends of the artisanal diamond miner. The transaction is concluded immediately and (unsurprisingly) only cash is used. The buyers normally leave their vehicles in Ha-Lejone village, in the district of Leribe in the northern-central part of the country. They then hire a vehicle from the local men who typically wait at the junction to Kao and Liqhobong. These men usually transport buyers to the miners in Kao and Liqhobong. This is because some of them are traders themselves who often take advantage to sell whatever diamonds they might possess. These traders act as middlemen who also buy diamonds from the miners at the river-banks and resell them to the foreign buyers.

Although the leading author was not able to interview any buyers and did not want to put the research informants at risk by observing these transactions, some of the research participants felt free to discuss aspects of the transactions. They stated that transactions are often characterised by extreme cases of deception. The victims of such schemes are usually naïve and inexperienced buyers. Over the years, an

[4] Lehlohonolo Chefa is the Chief Executive Officer of Policy Analysis and Research Institute of Lesotho. Paril – a non-governmental organization (NGO) conducting research studies on national policies among other functions – in 2014 worked in partnership with Southern African Resource Watch (SARW) to produce a report on the ownership of mineral rights in Lesotho (Ntsukunyane, 2015).

[5] Informants interviewed in 2013 in Kao and Liqhobong, Butha-Buthe Lesotho.

[6] Informants interviewed in 2013 in Kao and Liqhobong, Butha-Buthe Lesotho.

[7] Informants interviewed in 2013 in Kao and Liqhobong, Butha-Buthe Lesotho.

Table 1
Selling prices for diamonds mined in the study sites (Kao and Liqhobong).
Source: Leading Author field work notes (2013).

Size of Diamond	Selling Price (ZAR Rand)
'Tsoekere' (sugar grain size)	200–600
'Lebele' (sorghum grain size)	1000–1500
'Three kotare' (three-quarter size)	3000–5000
One (1 carat)	6500–7500
Two (2 carat)	10 000–15 000
Three (3 carat)	20 000–30 000

organic trading network has developed connecting Lesotho to South Africa and the international markets. Most of the transactions are conducted in secret and word-of-mouth is the main marketing strategy between artisanal miners and buyers.

There are cases where miners deceive buyers by selling inferior quality stones, known as 'bort' or 'boart' diamonds. This is a term used in the diamond industry to refer to shards of non-gem-grade diamond, locally known as 'boto', to novice buyers. At times, buyers who have been lured into buying 'boto' return looking for refunds after they have failed to sell the stones. The miners have usually set a sum of money aside for that purpose. When such a situation arises, the miners that were present during the initial transaction meet with the buyer to renegotiate.

As a negotiation strategy during talks about refunds, the miners often feign ignorance of the poor quality of the diamond, which enables them to make favourable terms of repayment. In some cases, the miners agree to provide replacement diamonds. Miners are aware of the dangers of cheating, which can lead to serious conflicts and death. Nevertheless, they carry on with the practice because they often getaway with it. Mrs Makeletso (58 years), an unlicensed artisanal diamond miner from Liqhobong village, explained how miners may try and deceive buyers:

> When a *sefofu* (literally a blind person – an inexperienced buyer) arrives here, I hit him with *boto* (non-gem-grade diamond). But when he leaves, I put aside part of his money in case a diamond might not be bought, even though it is difficult to hold onto money while one is suffering. If indeed he returns a diamond, I negotiate with him on how I would pay back his money. But I keep that *boto* so that I can hit another *sefofu* that might come along. Maybe *Molimo* (God) will help me this time and that *sefofu* would not come back for his money.

Despite the real dangers involved, several artisanal diamond miners admitted to attempting to or actually deceiving buyers during diamond transactions. Despite the threat involved, the miners have no choice but to sell their diamonds, which is their main source of livelihood. The quotation from Mrs Makeletso above illuminates an aspect of the moral economy implicated in the artisanal miners' negotiations with buyers. This involves risking deceptive behaviour while trying to avoid conflict. Having sold the diamonds, diggers employ a number of methods to invest their income.

4.2. Investment of diamond proceeds: livelihood diversification

With the collapse of the regional mining complex, diamond mining is an important economic activity closely tied to a rural economy. Diamond proceeds support agricultural and other non-agricultural economic activities.

Miners buy seeds and hire oxen to plough for those who do not own cattle or agricultural tools. At times, they get involved in sharecropping with those who can provide them with cattle and agricultural tools. The most popular crops in Kao and Liqhobong are maize, wheat and peas. Due to the steep slopes that are characteristic of the highlands, agricultural production depends on simple labour-intensive technologies.

Unlike in other parts of Africa, such as in Katanga, Democratic Republic of Congo, where miners extravagantly squander their income (Cuvelier, 2011: 114), the miners in Lesotho are careful in how they spend their income. Due to economic hardship and the difficulties of getting diamonds, they prioritise the sustenance of the household over the lavish lifestyles typically associated with artisanal diamond digging. They prioritise basic needs, which include food, education, clothes, improvement of their homes, as well as agricultural activities and other non-agricultural economic activities meant to diversify means of livelihoods.

Rural non-agricultural activities include the selling of beer, which is brewed by women. Miners, both in artisanal and large-scale mining, are the main beer customers in the two villagers. Miners socialise and enjoy themselves in the places that sell beer in these villages and connect with local villagers for those coming from other places. There are also enterprising informal traders who deal in imported clothes. They use the proceeds to procure stock or cheap clothes in the South African cities of Durban and Johannesburg with the sole purpose of reselling them for profit in Lesotho. This is usually done by the wives or sisters of artisanal miners. The wood of certain shrubs is collected by women from mountains slopes in the communal area and a bundle of sticks could be sold for twenty rand (ZAR) at the time of fieldwork in 2013 and 2014.

Furthermore, some artisanal mining households rent out their huts. Clients include people seeking employment in large-scale mines and employees of commercial mines. People in Kao and Liqhobong also rent out their huts or backyards to the artisanal miners. A hut price ranges between one hundred and two hundred rand per month.

Most of the artisanal miners interviewed mentioned that they invest their income from mining in buying livestock (cattle, sheep and goats). The selling of wool and mohair is a crucial means of earning money in these communities, with management of livestock generally a male-dominated activity (see Hoag, 2018). Sheep and goats are sheared in a local woolshed (*sekiring*) by livestock attendants from the Ministry of Agriculture and Food Security. On average, a sheep produces three and a half kilograms of wool and a goat one kilogram of mohair. According to the Animal Production Officer[8] who was interviewed, in 2013, a kilogram of wool was sold on average for thirty-five rand on the market while mohair was sold for fifty-five rand a kilogram. While these animals are kept primarily for their wool or mohair, if necessary, farmers will sell sheep or goats when faced with economic challenges in their households. However, Hoag (2018: 735) argues that with the collapse of regional mining and absence of remittances, Basotho produce fibre for the global textiles industry and meat for the South African proletariat.

Another income stream is derived from dealing in other precious minerals found when mining for diamonds. These are rubies (*lirubi*) and ilmenite (*sekama)*. Rubies are measured by the cup, with the price of a cup of rubies ranging between two-hundred-and-fifty and three-hundred-and-fifty rand. *Sekama* (ilmenite) is sold to the families of those undergoing the traditional rite of initiation or the owners of initiation schools. This is imbedded in Sesotho culture, as *sekama* is crushed into powder and then mixed with other ingredients like petroleum jelly to form a cream or lotion that is used by initiates during initiation school prior to their graduation. It is important to emphasise that while diamonds are the primary target of the Lesotho artisanal miners, they derive income from rubies and ilmenite and may at times go for a month or more without uncovering a diamond.

Finally, a few of the informants interviewed were over 70 years and lived on the state pension grant (four-hundred-and-fifty rand per month). These pensions are enough to cover only basic necessities for household survival like groceries.

[8] Mr. Tlhatlosi Tlatlosi District Animal Production Officer, interviewed at Teya-Teyaneng, Berea District, September 2013.

5. Conclusion

The ethnographic evidence used in this paper demonstrates the historically dynamic, complex and vibrant existence of ASM in Lesotho. With the collapse of the regional mining complex, rural households that depended on remittances were adversely affected. As a result of reverse migration, the means of livelihood for many rural communities shifted towards non-agricultural economic activities that include informal enterprises, retail stores, transport businesses, property and others. For the rural mining communities of Kao and Liqhobong, the significance of artisanal mining as the mainstay of both their agricultural and non-agricultural activities increased as they became more dependant on the diamond trade to earn money. However, successive governments of Lesotho continue to marginalise and criminalise ASM instead of protecting it for the rural impoverished majority through meaningful regulation and supportive infrastructure. The Government of Lesotho could do that through drawing inspiration from countries such as Ghana, Tanzania, Botswana and Zambia and set up legislation that would allow artisanal diamond mining. This could be done through legalising individual digging and encourage cooperatives (micro levels) to work hand in glove with commercial diamond mining (macro level) as is the case in Botswana and Zambia. Basotho should be allowed to make a living out of alluvial diamonds and be given access to land to mines. Additionally, the government of Lesotho could also set land aside for artisanal mining as is the case in other Southern African countries such as Mozambique and Tanzania. Contrary to the fears of some in the Lesotho ruling circles, this recommendation would not hamper commercial mining, rather it would complement it.

The paper also demonstrates the resistance of artisanal diamond miners against the state.

References

Aizawa, Y., 2016. Artisanal and Small-scale mining as an informal safety net: evidence from Tanzania. J. Int. Dev. 28, 1029–1049.

Ambrose, D., 2004. Lesotho Annotated Bibliography Section 16: Mining, Kimberlite and Diamonds. House 9 Publications. National University of Lesotho.

Amin, S., 1972. Underdevelopment and Dependence in Black Africa – Origins and Contemporary Forms. J. Mod. Afr. Stud. 10 (4), 503–524.

Arrighi, G., 1973. Labour Supplies in Historical Perspective: a Study of the Proletarianization of the African Peasantry in Rhodesia. In: Arrighi, G., Saul, J. (Eds.), Essays On the Political Economy of Africa. Monthly Review Press, New York, pp. 180–234.

Aryee, B.N.A., Ntibery, B.K., Atorkui, E., 2003. Trends in the small-scale mining of precious minerals in Ghana: a perspective on its environmental impact. J. Clean. Prod. 11 (2), 131–140.

Ayamba, H.A., Dramani, A., Agbenyega, O., 2017. Legalizing small scale gold mining in Ghana in the Upper East Region, Ghana. J. Afr. Political Econ. Dev. 2, 78–95.

Banchirigah, S.M., 2008. Challenges with eradicating illegal mining in Ghana: a perspective from the grassroots. Res. Policy 33, 29–38.

Bieri, F., Boli, J., 2011. Trading diamonds responsibly: institutional explanations for corporate social responsibility. Sociol. Forum 26 (3).

Boehm, C., 2003. The Social Life of Fields: labour Markets and Agrarian Change in Lesotho. J. Interdiscip. Cross-Cult. Stud. 3, 1–20.

Bryceson, D., 1996. Deagrarianization and rural employment in sub-Saharan Africa: a sectoral perspective. World. Dev. 2 (1), 97–111.

Bryceson, D.F., 2019. Gender and generational patterns of African deagrarianization: evolving labour and land allocation in smallholder peasant household farming, 1980–2015. World Dev. 113, 60–72.

Bundy, C., 1979. The Rise and Fall of the South African Peasantry. Heinemann, Michigan.

Central Bank of Lesotho, 2011. March Quarterly Review XXXI Central Bank of Lesotho, Maseru.

Central Bank of Lesotho, July 2012. Economic Review: The role of Diamond Mining Sector in Lesotho's economy. Central Bank of Lesotho, Maseru.

Chefa, L., 2014. *Ownership of Mineral Rights in Lesotho*. [15 May 2015].

Cuvelier, J., 2011. Men, Mines and masculinities: the Lives and Practices of Artisanal Miners in Lwambo. DR CongoFaculteit Sociale Wetenschappen, Katholieke Universiteit Leuven, Katanga province PhD Thesis.

D'Angelo, L., 2019. God's Gifts: destiny, Poverty, and Temporality in the Mines of Sierra Leone. Afr. Spectr. 54 (1), 44–60.

Dietrich, C. 2000. Porous borders and diamonds. In: Cilliers, J. & Dietrich, C. Angola`s war economy. The role of oil and diamonds. Institute for Security Studies [ISS] Africa. 317–345.

Feinstein, C.H., 2005. An Economic History of South Africa: Conquest, Discrimination, and Development. Cambridge University Press, Cambridge.

Folda, N., Allotey, A.N.M., Kalvig, C., Moeller-Jensen, L., 2018. Grounding institutions through informal practice: credibility in artisanal mining of aggregates, Ghana. Land Use Policy 79, 922–931.

Geenen, S., 2012. A dangerous bet: the Challenge of formalizing artisanal mining in the Democratic Republic of Congo. Resources Policy 37 (2012), 322–330.

Hilson, G., 2002. Land use competition between small- and large-scale miners: a case study of Ghana. Land Use Policy 19, 149–156.

Hilson, G., 2009. Small-scale mining, poverty and economic development in sub Saharan Africa: an overview. Res.s Policy 34 (1–2), 1–5.

Hilson, G., Pardie, S., 2006. Mercury: an agent of poverty in Ghana's small-scale gold-mining sector. Res. Policy 31, 106–116.

Hilson, G., Potter, C., 2003. Why is illegal mining activity so ubiquitous in rural Ghana. Afr. Dev. Rev. 15 (2–3), 237–270.

Hilson, G., Maconachie, R., 2017. Formalising artisanal and small-scale mining: insights, contestations and clarifications. Area 49 (4), 443–451.

Hilson, G., Hilson, A., Maconachie, R., 2018. Opportunity or necessity? Conceptualizing entrepreneurship at African small-scale mines. Technol. Forecast. Soc. Change 131, 286–302.

Hilson, G., Hilson, A., Adu-Darko, E., 2014. Chinese participation in Ghana's informal gold mining economy: drivers, implications and clarifications. J. Rural Stud. 1, 104–118.

Hilson, G., Hilson, A., Maconachie, R., McQuilken, J., Goumandakoye, H., 2017. Artisanal and small-scale mining (ASM) in sub-Saharan Africa: reconceptualizing formalization and 'illegal' activity. Geoforum 83, 80–90.

Hoag, C., 2018. The Ovicaprine Mystique: livestock Commodification in Postindustrial Lesotho. Am. Anthropol. 120 (4), 725–737.

Jaramillo, P., 2020. Mining Leftovers: making Futures on the Margins of Capitalism. Cult. Anthropol. 35 (1), 48–73.

Jønsson, J.B., Bryceson, D.F., 2017. Beyond the artisanal mining site: migration, housing capital accumulation and indirect urbanization in East Africa. J. East. Afr. Stud. 11 (1), 3–23.

Lesotho Mining and Minerals Policy Green Paper, www.ls.undp.org, [16th December2014].

Love, R., 1996. Lesotho: inner to Outer Periphery? Rev. Afr. Polit. Econ. 23 (6), 75–80.

Maconachie, R., 2011a. *Re*-Agrianising Livelihoods in Post-Conflict Sierra Leone? Mineral wealth and rural change in artisanal and small-scale mining communities. J. Int. Dev. 23 (8), 1054–1067.

Maconachie, R., Hilson, G., 2016. *Re*-Thinking the Child Labor "Problem" in Rural sub-Saharan Africa: the Case of Sierra Leone's Half Shovels. World Dev. 78, 136–147.

Makhetha, E.L., 2017. Small Scale Artisanal Diamond Mining and Rural Livelihood Diversification in Lesotho. University of Pretoria Ph.D. Thesis.

Maleleka, D., 2007. The evolution of diamond mining in Lesotho. South. Afr. Resour. Watch 4.

Maliehe, S., 2014. An Obscured Narrative in the Political Economy of Colonial Commerce, 1870-1966. Historia (Argentina) 59 (2), 28–45.

Maliehe, S.M., 2015. A History of Indigenously-Owned Business in Post-Colonial Lesotho: Politics, constraints, Marginalisation and survival, 1966-2012. University of Pretoria PhD Thesis.

Maliehe, S., 2017. Money and markets for and against the people: the rise and fall of Basotho's pre-colonial economic independence, 1833-1930s. In: Hart, Keith (Ed.), Money in the Human Economy. Berghahn Books, Oxford.

Marshall, B.G., Veiga, M.M., 2017. Formalization of artisanal miners: stop the train, we need to get off. Extr. Ind. Soc. 4 (2), 300–303.

Mayala, L.P., Marcello, M, Veiga, M.M., Mohammad Babaei Khorzoughi, B.M., 2016. Assessment of mine ventilation systems and air pollution impacts on artisanal tanzanite miners at Merelani, Tanzania. J. Clean. Prod. 116, 118–124.

Murray, C., 1980. "From Granary to Labour Reserve: economic History of Lesotho. S. Afr. Labour Bull. 6 (4), 3–20.

Mwaipopo, R., Mutagwaba, W., Nyange, D., Fisher, E., 2004. Increasing the Contribution of Artisanal and Small-Scale Mining to Poverty Reduction in Tanzania. DFID, UK Available: http://www.dfid.gov.uk/r4d/pdf/outputs/C393.pdf (2013, 12 March).

Stevens, R.P., 1967. Lesotho, Botswana, & Swaziland: The Former High Commission Territories in Southern Africa. Pall Mall Press, London.

Thabane, M., 1995. Individual Diamond Digging in Lesotho, 1955-1970: A Study of an Aspect of the Social and Economic History of Lesotho. University of Trondheim PhD Thesis.

Thabane, M., 2000. Liphokojoe of Kao: a Study of a Diamond Digger Rebel Group in the Lesotho Highlands. J. South. Afr. Stud. 26 (1), 105–121.

Thabane, M., 2003. Technical Skills, technology and innovation among individual diamond diggers at the Letšeng-la-Terae and Kao Diamond Mines of Lesotho, 1960–1970. South Afr. Hist. J. 49, 147–161.

Pule, N.W., Thabane, M., 2004. Lesotho's land tenure regimes: experiences of rural communities and the calls for land reform. J. Mod. Afr. Stud. 42 (2), 283–303.

Potter, C., Lupilya, A.C., 2016. You have hands, Make Use of them! Child labour in artisanal and small-scale mining in Tanzania. J. Int. Dev. 28, 1013–1028.

Theal, G.M., 2002. *Basutoland Records: Volume VI, 1871-1872*. Institute of Southern African Studies, Roma.

Trillo-Figueroa, M.F., 2009. Information Handbook Botha-Bothe District. Local governance &non-state actors Support Programme.

Van Bockstael, S., Vlassenroot, K., 2011. Diamonds, rice, and a 'maggi cube' Artisanal Diamond Mining and Livelihoods in Liberia. Academia Press, Ghent.