

## Chapter 10

# International Migration and Development in Lesotho: A Complex Interrelationship

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### 10.1 Introduction

The southern Africa region can conveniently be divided into migrant-origin countries (e.g. Mozambique, Malawi, Lesotho, Zimbabwe and Swaziland) and migrant-destination states (South Africa, Botswana and Namibia). Regional studies carried out by the International Organization for Migration (IOM) and the Southern African Migration Project (SAMP) identify several economic, ecological and political factors as the main migration triggers, with push and pull forces determining the sources and destinations (IOM 2005, 2007, Crush et al. 2006, Pendleton et al. 2006).

International migration from small states, such as Lesotho, has increased considerably during the twenty-first century and, as a result, there has been renewed interest in this phenomenon among policy-makers, economic and spatial planners, and academics (Crush et al. 2006, Crush 2002, Appleyard and Stahl 2007, Gamlen 2010, Roberts 2006, Pendleton et al. 2006, UNDP 2010, Thomas-Hope 2011, Tevera 2011). At the policy level, this interest is reflected by the burgeoning literature on the migration and development nexus that has been generated by international agencies such as the Commonwealth Secretariat, the United Nations Development Programme (UNDP), the IOM, the International Labour Organization (ILO), the UK Department for International Development (DFID) and the World Bank (DFID 2007, Commonwealth Secretariat 2004, UNDP 2009, IOM 2008). In the case of Lesotho, migration literature reveals that high migration rates co-exist with high levels of poverty (Ulicki and Crush 2007, Sechaba Consultants 2004, Gustafsson and Makkonen 1993, Cobbe 1982, 1986).

Recent literature on migration as a field of academic enquiry reveals an ongoing international debate on the nexus between migration and development (Gamlen 2010, De Haas 2010, Thomas-Hope 2011, Massey 1998, Adams and Page 2005, Lowell 2001). Findings of previous studies on the developmental impact of migration are quite mixed (Nyberg-Sorensen et al. 2002, Gamlen 2010, De Haas 2010, Kapur 2001). On the one hand there is the view that migration has a positive impact on development by alleviating poverty, raising household incomes and reducing spatial disparities. For example, studies by De Haan (1999), Ellis (1998), Faist (2008) and Kapur (2001) reveal the positive role that migration can play at the household level in terms of improving and diversifying livelihoods, reducing poverty and generally improving household resilience. A study by Gustafsson and Makonnen (1993) noted that, if it were not for remittances, 11–14 per cent more households in developing

countries would fall below the poverty line. Gamlen (2010) argues that properly managed migration promotes economic development by empowering migrants, generating wealth and balancing inequalities. Current thinking on the migration–development nexus is that, if properly managed, migration will promote development but if poorly managed it will undermine the process (IOM 2003, 2010, Ratha and Shaw 2007, World Bank 2006, Gamlen 2010, Manning 2010, RCMD 2010, Newland 2010, Morgan et al. 2005).

On the other hand, there is the view that, in the long term, migration has significant anti-developmental effects which overwhelm any possible benefits. Crush et al. (1991) have argued that, in southern Africa, migration has intensified poverty. Studies by Crush et al. (2006) and the IOM (2005, 2007) highlight the potentially critical role of migration regarding its contribution in spreading HIV and AIDS.

This chapter seeks to explore the challenges and benefits experienced by Lesotho as a result of migration. It also considers the developmental costs and benefits of migration at the household level. Finally, it provides an overview of the policies that have been implemented in order to minimise the socio-economic costs of migration. The following questions are addressed in this chapter. First, what migration-related challenges and benefits has the government of Lesotho been facing since late 1970s? Second, what migration policy strategies have been undertaken by government, the private sector and funding agencies?

The chapter is based on a study that was carried out in two phases between 2011 and 2012. The first phase was a desktop review of existing and current research on migration and development in Lesotho. This was complemented during the second phase by the gathering of specific data on various migration management and policy issues experienced in the country as viewed by government officials, private sector informants, worker organisations and multilateral organisations. Fieldwork in Maseru, the capital of Lesotho, took place from 16 to 19 November 2011. During this visit, key informants such as representatives from government organisations, migration and health (national and international) non-governmental organisations (NGOs), and representatives of relevant sector and employers' organisations were interviewed.

## 10.2 Geographic and socio-economic context

Lesotho is a landlocked country in southern Africa covering 30,350 km<sup>2</sup>. Only 13 per cent of the land area is suitable for cultivation and it receives a small amount of annual rainfall that is highly variable and unreliable. In recent years the country has experienced recurring natural disasters, including droughts and cyclones, which have adversely affected agricultural performance. As a result the country faces serious food security challenges (with 17 per cent of the population food insecure) and has to import most of its cereal requirements (World Bank 2010, Government of Lesotho 2008).

According to the 2006 census, the country had a population of 1.87 million, and 82 per cent of this population resided in rural areas and depended on agriculture

for their livelihoods (Government of Lesotho 2009). Estimates suggest that by 2011 the population had marginally increased to 2.1 million with as much as 20.5 per cent of the total residing outside the country (see Table 10.1). This makes Lesotho a classical emigration country. Ministry of Labour and Employment officials in Maseru acknowledge that there are information gaps on the number of individuals in the diaspora. The World Bank estimates that the rate of unemployment is 45 per cent and that 43 per cent of the population lives below the poverty line (World Bank 2010). Of the 20,000 young job-seekers who attempt to join the labour market annually, only 50 per cent succeed in doing so.

The country has a per capita income of just US\$600, which makes it one of the poorest countries in Africa. Its adult HIV infection rate of 23.6 per cent in 2008 makes it one of the most infected countries in the world (Government of Lesotho and UNAIDS 2009). The economy of Lesotho is closely intertwined with that of South Africa by virtue of location (it is completely surrounded by South Africa) and culture (Sesotho is Lesotho’s national language and it is widely spoken in South Africa, which makes it relatively easy for Lesotho nationals to evade detection should they decide to stay in the country illegally). The Lesotho currency (the loti) is pegged at par to the South African rand and the country gets at least 30 per cent of its total government earnings from Southern African Customs Union (SACU) receipts. Until about 2000, the main source of employment and foreign exchange were the South African mines.

Lesotho is a labour-exporting country; migrant labour in neighbouring countries is an important source of employment for its citizens (MacDonald and Crush 2002, Crush et al. 1991). Most of this migration has been in the form of temporary or contract work in the South African gold, coal and diamond mines. In the early 1990s about half a million Basotho nationals were working in South Africa and remitted on average about R20 million every month through the deferred payment scheme. According to the World Bank’s estimates, remittances account for about 28 per cent of national income. Half of the income of rural households is derived from migrants working in South Africa, mainly in the mining sector (Duvenage 2009). Seasonal labour within the agriculture sector is important for poor Basotho households from which persons migrate seasonally to work on South African farms.

Unemployment, socio-economic instability, political unrest, shocks related to climate change (e.g. drought and floods) and the unequal distribution of resources are the

**Table 10.1 Immigration and emigration statistics for Lesotho**

Statistic	Figure
Total population (2009)	2,100,000
Number of emigrants (2010)	427,500
Emigrants (% of total population) (2000)	20.5
Skilled (tertiary) emigrants as (% of total population)	4.3
Emigration of physicians (%)	33.3
Number of immigrants (2010)	6,300
Immigrants (% of total population)	0.3

**Sources:** World Bank (2010, 2011)

primary migration triggers throughout most of Africa. In Lesotho, migration triggers, such as lack of cultivable land, low wage levels, poverty and the lack of opportunities at home, have led many citizens to migrate internally and to neighbouring South Africa. Other motives for migration relate to the diversification strategy whereby male household members leave home in search of employment to complement the earnings from farm activities.

A SAMP survey carried out in Lesotho reveals that, despite the strong migration drivers that continue to fuel migration streams across the border, over 93 per cent of Basotho migrant miners working in South Africa did not consider a permanent move to South Africa as a solution (Crush et al. 2006, Sechaba Consultants 2002). The miners who said they would move to South Africa also indicated that they would keep a home in Lesotho. The findings are highly significant, for they show that most Lesotho citizens are willing to migrate to South Africa in search of better opportunities, but that the vast majority of Basotho migrants consider a permanent move to another country as not only unlikely but also undesirable. Of those likely to move, the majority would continue to maintain close contact with their home country and would wish to retire there (Crush et al. 2006).

Because of volatile economic and environmental conditions many Basotho continue to drift from rural to urban areas and ultimately to South Africa in search of employment opportunities. Both men and women with limited formal training have been driven into the South African labour market by poverty. Many have ended up engaged in domestic work in South African towns or farm labour in rural areas (Ulicki and Crush 2007). On average, a thousand migrants cross the Maseru border per day in both directions mainly to trade, shop, work and seek essential services.

### 10.3 Migrant mine and agricultural workers: challenges and benefits

Cross-border migration patterns have ranged from highly formalised and regulated contract systems in the South African mines to various forms of informal or unregulated movements across borders. Two main patterns characterise post-1990 migration trends in the country. First, the emigration of skilled labour has increased considerably, largely because of poor national economic performance and socio-political challenges (Duvenage 2009). Second, female migration has increased despite the constraints resulting from the dependent position of women within the patriarchal Basotho households (Dodson et al. 2010, Lefko-Everett 2007).

International migration from Lesotho is dominated by movements to destinations in the Southern African Development Community (SADC) region (especially South Africa) and to a lesser extent to overseas destinations, such as Europe, North America and Australia. The huge gap in economic, educational and occupational opportunities between Lesotho and South Africa explains why most Basotho nationals have migrated to South Africa at one point in their lives. Historically, the process of labour migration from Lesotho to South Africa goes back to the nineteenth century and has been dominated by men in search of unskilled and semi-skilled employment in the mines and on commercial farms.

Migrant workers from Lesotho are recruited for work in the South African mines through an agency called The Employment Bureau of Africa (TEBA) Limited. The contracts are one year long and renewable (IOM 2007). The majority of mines employing Basotho miners are in the Free State, Mpumalanga, North West, Limpopo and Gauteng provinces (IOM 2007). Many Basotho are hired as semi-skilled workers, such as machine operators, locomotive drivers and general labourers. They generally reside in single-sex hostels, where they are not allowed to bring their families. Since most mines are located in geographically remote areas, it is not easy for mine workers to bring their spouses to join them in residential areas near the mines, and this has been a source of social problems, such as prostitution. However, recent policies allow mine workers to invite their spouses to come and reside in rented mine accommodation for periods generally not exceeding seven days per visit. This policy is expected to go a long way in reducing commercial sex, which in the past was caused by long periods when mine workers were away from home.

Before 1996, all mine recruits were male but since 2001 female miners have regularly been recruited and in recent years constituted at least 3 per cent of the total Basotho mine worker population (IOM 2007, Ulicki and Crush 2007). Female labour migration has risen since the mid-1990s, as women are increasingly seeking employment on commercial farms in the Mpumalanga province of South Africa (IOM 2007, Dodson et al. 2010). While migration by women has increased, it remains a very much smaller phenomenon than male migration. This is because structural problems and patriarchal values that have impeded female migration in the past have not yet completely disappeared.

From the late 1960s to the mid-1970s, the number of Lesotho's nationals working in mines and on farms in South Africa outnumbered the size of the labour force in the formal sector within Lesotho, by at least five to one (Cobbe 1982, 1983, 1986, Bardill and Cobbe 1985). In 1972 Lesotho was the largest exporter of migrant workers to the South African mines, providing 54 per cent of the foreign migrant labour force (James 1992). However, since the mid-1990s, increased mechanisation of mining activities and preference for national labour have contributed to the retrenchment of Basotho mine workers in South Africa. The number of mine migrants from Lesotho dropped sharply from 99,707 in 1990 to only 46,049 in 2005, thereby reducing the volume of remittance flows back home from Basotho mine workers in South Africa. The proportion of households in Lesotho with at least one household member working as a migrant in the South African mines also declined from 50 per cent in the early 1980s to just 12 per cent in 2002.

The decline in mine employment has affected migration from Lesotho in at least three ways. First, it led to the diversification of labour migration patterns as new migrants had to search for employment opportunities in other sectors of the South African economy. Second, the migration rates for female household members increased as they searched for employment in South African economic sectors such as domestic service and commercial farming, where female employees have been historically dominant. Third, many former mine workers returned to South Africa as undocumented migrants.

The majority of Basotho nationals migrating to South Africa do so legally through established border posts, such as the Maseru Bridge. There is however, an increasing stream of undocumented migrants who regularly cross the porous Lesotho–South Africa border, which cuts across communities that speak a common language and share several cultural and family ties. Most irregular migrants are employed as farm workers in commercial agriculture and some engage in informal sector activities, such as street trading. A study by the IOM (2007) on temporary Basotho farm workers in South Africa reveals a steady increase in the number of people crossing the Quthing/Tele border post between Lesotho and South Africa.

Undocumented migrants often find themselves in vulnerable positions because they are unable to exercise their rights and entitlements. For example, there have been occasional cases of undocumented Basotho migrants on South African farms being deported, as farmers have been known to inform the police at the end of the month, before pay day, about the presence of vagrants at the farm. As a result, the undocumented farm workers are arrested and deported. It is difficult to establish the number of undocumented Basotho migrants on South African farms for lack of reliable information, as estimates are usually based on the number of deportations. However, deportation figures include multiple deportations of some migrants, since some persons get deported as often as ten times a year, finding their way back to South Africa using clandestine methods (Oucho and Crush 2001, MacDonald and Crush 2002).

Commercial agriculture sector labour migration became established in the 1990s, through the recruitment activities of eastern Free State vegetable farmers, whose demand for seasonal labour facilitated the temporary migration of unskilled men and women from many rural areas of Lesotho (Sechaba Consultants 2002). Since the late 1990s there has been a geographical shift in migrants' destination areas as many Basotho are recruited to work for the Ceres commercial farms, mostly in the Western Cape province of South Africa. The main recruiting office for Basotho farm workers is located in the town of Quthing in southern Lesotho. The Quthing farm workers' recruitment office gets its workers from all the districts of Lesotho but most come from the predominantly poor Mafeteng district, in the eastern part of the country.

It is estimated that about 300 Basotho nationals are recruited at the district labour office weekly to work on farms in the Western Cape alone. The recruitment process is long and occurs in a generally inhospitable environment. Typically, prospective farm workers have to wait in a given area for as long as a month before they are recruited, depending on the availability of recruiting agents. During the data-gathering visit to Lesotho, Ministry of Labour and Employment officials who were interviewed reported that conditions are difficult during the waiting period, as prospective farm workers have to sleep in the labour office corridors because no accommodation is provided for them.

Lesotho and South Africa have a bilateral treaty on the recruitment of temporary labour from Lesotho but its operation presents several challenges, as farm workers often sign contracts without being aware of the conditions under which they will work (Ulicki and Crush 2007). Although the migrant labour schemes have been

praised for encouraging migrants to return home, they have also been condemned for not encouraging migrants' integration in South Africa.

## 10.4 Impacts of migration on the economy

### 10.4.1 Migrant labour

Although the main migration challenges include national brain drain and its effects on service delivery, migration is nevertheless associated with cash and goods transfers through which migrants remit a part of their earnings to family members and friends back home. Thus, remittances are generally considered to have a strong developmental impact in the receiving countries through poverty reduction, expansion of social projects and increased investment (World Bank 2006, Adams and Page 2005, Roberts 2006).

Discussions with various government officials, international partners, NGOs and scholars, carried out in Lesotho by the author in December 2011, revealed that semi-skilled migrant labour from Lesotho has considerable development potential. The official from the United Nations Development Programme (UNDP) emphasised that benefits that have accrued from several decades of labour migration to South Africa include new skills and cultural diversity. Officials from the Ministry of Labour and Employment noted that migrants returning from mine work have contributed to national economic growth by supplying low-skill segments of the market with experienced labour and by promoting entrepreneurship. For example, in the rural areas, returned migrants have used their skills, expertise and ideas in ways that have contributed to local development. Sechaba Consultants officials pointed out that their studies reveal that the majority of household that have sent male migrants in Lesotho regard migration as having positive or very positive impacts.

Despite the positive impacts of migration on the Lesotho labour force, the migration process also presents considerable challenges because many migrant workers, especially low-skilled workers, face exploitative working conditions and enjoy only limited human and labour rights in the host countries. In recent years Lesotho has experienced an increasing loss of its skilled professionals, with the health sector being the most affected.

In the public health sector the migration of doctors, pharmacists, nurses and other health workers is undermining the ability of the healthcare system to cope with the burden of diseases. More than 50 per cent of state registered nurses and about half of the medical doctors left the country between 1990 and 2010.

The brain drain presents several challenges to the government of Lesotho. First, it poses an economic danger to Lesotho because it presents a loss of human capital that was developed through state-subsidised educational programmes. Second, emigration of health workers from the country has resulted in significant depletion of essential skills in the health sector, as evidenced by the fact that vacancy rates are high for various categories of healthcare practitioners. The declining number of qualified health personnel highlights one of the biggest obstacles to achieving the

Millennium Development Goals (MDGs) related to the health and wellbeing of the national population.

Lesotho faces a huge challenge in stemming the exodus of professionals and skilled personnel to other countries. The brain drain seems unlikely to slow down unless the government finds additional ways of addressing the factors contributing to this outward movement, which are chiefly based on the country's economic situation (Crush et al. 2006, Dodson et al. 2010, Sechaba Consultants 2004, MacDonald and Crush 2002). Analysis of the brain drain from Lesotho shows a complex interplay between conditions at home and opportunities in other accessible countries. The main reasons for loss of skills, especially medical workers, academics, teachers and technicians, were reported to be relatively low salaries and benefits, poor working conditions and lack of career opportunities. In view of this, it is imperative that the government implement measures to curb the emigration of skilled people and professionals from the country. However, a coercive approach to the brain drain would not help, as it would intensify the level of discontent.

#### 10.4.2 Remittances

Remittances, in the form of cash and goods, have become an essential part of many household budgets and have reduced vulnerability to poverty in both rural and urban areas (Crush et al. 2006, Dodson et al. 2010, Pendleton et al. 2006).

Basotho migrants in South Africa maintain a web of connections with their country and that has created beneficial feedback effects such as the transfer of remittances, skills and technology. The remittances are transferred through both formal and informal channels. Formal channels include money transfer services by banks and non-bank financial institutions, such as foreign exchange bureaux or dedicated money transfer operators. Informal transfer systems include sending remittances through relatives, friends, trusted agents, acquaintances and personal carriage of cash or goods by migrants during visits back home. Active social ties between migrants and family members and other contacts provide the personal links and local information necessary for sending remittances informally.

Lesotho has been dependent on cash and goods remittances from the mines in South Africa since the second half of the nineteenth century (IOM 2007). The importance of remittances to the economy of Lesotho is emphasised by the fact that Lesotho is one of the few countries in Africa where the value of international remittance flows is greater than official development assistance received (UNDP 2010). Data from the 1970s to the 1990s reveal that, while remittance earnings provide a positive flow to Lesotho, the positive effects are offset by the withdrawal of labour from the domestic economy (Bardill and Cobbe 1985, Sechaba Consultants 2004).

Remittances made up 25 per cent of gross domestic product (GDP) in 2006 and the country has consistently been among the top remittance-receiving countries in Africa, in terms of share of GDP and foreign exchange earnings (UNDP 2009). According to an FAO (2008) study, about half a million Basotho nationals, mostly men, were working in South Africa and on average remitted about R20 million every

month through the deferred pay scheme. In Lesotho the contribution of remittances to national economic growth and to the livelihoods of people is quite evident. First, they promote access to financial services for Basotho diaspora members and their families. This explains why households with migrant incomes are often much better off than non-migrant households and national economies of poor countries often benefit from this flow of capital. Second, remittances provide foreign exchange to the country and help to improve the balance of payments.

At the household level, remittances significantly supplement earnings of individual households in both rural and urban areas. Clearly, remittances seem to provide a 'safety net' that sustains many households throughout the country. Studies also show that remittance flows have reduced vulnerability at the household level through poverty reduction (Crush et al. 2006, Dodson et al. 2010, Pendleton et al. 2006). However, the available information shows that households mainly use remittances for consumption (e.g. to pay school fees, medical expenses, debts and funeral costs) and to a lesser extent for investment (e.g. land acquisition, house construction, purchase of livestock and establishment of small businesses). A study by Crush et al. (2006) showed that cash remittances to migrant sending households are mostly used for school fees, food, clothing, transport, funeral costs and purchasing seeds.

SAMP studies noted the existence of gender differences with respect to the use of remittances. According to the study, male Basotho mine migrants tended to use their earnings for long-term investments back home, such as cattle that would generate income during retirement (Dodson et al. 2010, Pendleton et al. 2006). This way, cattle are a type of 'retirement fund' for migrant households. Female migrants, on the other hand, tended to use their cash remittances to finance everyday living expenses, such as food, school fees, household utensils and furniture.

However, although families benefit from the remittances sent to them by migrant family members, they also face many challenges in the absence of these family members. For example, wives are left to raise the family and often go for long periods without seeing their husbands. Other social effects of migration consist of changes within families in terms of gender roles and possible child labour in cases where there are labour shortages arising from the migration of several family members.

## 10.5 Management of migration and regulation of remittance flows

### 10.5.1 Policing and managing migrant labour

Lesotho is an example of a country where the institutional and policy framework has been focused on labour migration in the following ways:

- The government of Lesotho has signed and ratified the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. This convention states that migrant workers and their family members shall have the right to receive any medical care that is urgently required for the preservation of their life or the avoidance of irreparable harm to their health (IOM 2007).

- The National Strategic Plan (NSP) on HIV/AIDS, 2006–2011, identifies migrant populations, among other groups, as highly vulnerable to HIV infection. Although the NSP does not distinguish between the various sectors of migrant populations, sex workers are singled out (as a marginalised segment of the mobile population) for the provision of special services geared towards reducing their vulnerability to infection and the spread of HIV and AIDS.
- Lesotho's Poverty Reduction Strategy Paper of 2004/05 to 2006/07 recognises that, during the past 150 years, contract jobs in South Africa have been a major livelihood strategy for Basotho nationals. Although poverty reduction strategies (PRs) of Lesotho acknowledge the positive and negative effects of migration, little has been done by the government to include migration policies and strategies in national development plans.
- The Ministry of Home Affairs conducts monthly community education programmes whereby families of migrants are informed about the risks associated with migration and disease, especially HIV and AIDS. Many migrants have benefitted indirectly from the ministry's community education programmes, as the families of mobile populations who frequently pass through the border areas are often part of a complex sexual network that links transient and residential communities. The Ministry of Labour and Employment focuses on empowering and enlightening the spouses of migrants through public education programmes similar to those carried out by the Ministry of Home Affairs.
- There are several joint initiatives that provide migrants and their families with basic information on how to protect themselves from infectious diseases. The United States Agency for International Development and the government of Lesotho have a programme that provides Basotho miners working in South Africa with information and training on HIV/AIDS and anti-retroviral therapy during the times when they return home at weekends. Additionally, the IOM recently co-implemented with TEBA a project called 'On-the-Ground' whose aim was to sensitise migrants on the risks of possible exposure to HIV and AIDS.
- The Lesotho Federation of Labour (LFL) and the Lesotho Nursing Council provide different types of services to various categories of migrant workers. The LFL assists mine workers to access compensation and insurance funds when they return home; and the Lesotho Nursing Council provides various services to nurses intending to take up employment outside the country or those who want to return home and continue working as nurses.

### 10.5.2 Regulating remittance flows

A bilateral agreement between the government of Lesotho and the government of South Africa has had the effect of promoting remittances because, under the agreement, Basotho mine workers receive a portion of their wages as a deferred wage. The deferred portion of the wage is compulsorily sent to the migrant worker's home country, where it is collected on completion of the contract. Basotho mine migrants in South Africa have a contractual obligation to remit to their home country (through the employer) 30 per cent of their earnings in the form of compulsory deferred pay.

Neither the Chamber of Mines nor the National Union of Mine Workers is enthusiastic about the compulsory deferred pay system. Human rights groups are not in favour of the system for the fundamental reason that it violates the basic rights of a worker to earn a full salary which they are free to spend as they see fit. However, the government of Lesotho and many other governments of the home countries strongly support the system because the remittances are an important source of foreign currency. A SAMP survey in Lesotho showed that, whereas most miners were opposed to the system, most miners' wives were highly enthusiastic about it (Pendleton et al. 2006).

TEBA and the banks have instituted systems for voluntary deferment of wages, and these are very popular with migrant workers. TEBA's voluntary systems in fact remit more funds to the home countries than the compulsory deferred pay system. However, home governments highly support it largely because they benefit from the interest on deferred pay.

However, current regulatory provisions tend to exclude many remitters, especially the undocumented migrants and part-time workers, from the formal remittance market. Also, regulatory provisions add to the cost of completing a remittance transaction, which effectively excludes the very poor from the formal remittance market. A study carried out by Pendleton et al. (2006) noted that members of most of the migrant-sending households surveyed in Lesotho regularly brought cash remittances back home or asked a friend or co-worker to bring the cash back home.

Both the immigration laws and the requirements of cash-remitting banks cause problems. For example, under the current South African immigration laws, proof of legal residence is a requirement when one wants to open a bank account or to remit some money using formal channels. Furthermore, the foreign exchange market in Southern Africa is highly regulated. Banks and bureaux de change are virtually the only agents allowed to handle foreign exchange transactions. Before transferring funds, the remitter is required to have clear evidence that the funds were legally earned and that the remitter has a valid work permit. Most semi-skilled and low-income migrants are likely to have inadequate documentation, as most would not be in a position to produce a utilities bill as proof of residence.

### 10.5.3 Assessment of policy and institutional practices

Several lessons can be learnt from Lesotho's achievements and shortcomings regarding the management of migration. The intermittent discussions between the public and private sectors about minimising the costs and risks of temporary labour migration are important and should be intensified. Clearly, there is a need for the governments of Lesotho and South Africa and the private sector recruiting companies to address these costs and risks while at the same time ensuring that issues relating to duration of stay, enhancement of skills, and return and re-integration of migrant workers are also discussed. In this way, temporary labour migration between Lesotho and South Africa could be used as a crucial element of human capital development through the provision of training and skill acquisition.

However, there are several policy gaps which require attention. First, large-scale labour migration continues to pose a significant challenge to the protective capacity

of national labour law frameworks, partly because of how migration is managed. Although there have been some developments at the regional level to address this challenge, little progress has yet been made. Second, labour law continues to be subordinated to political and economic objectives, as reflected by the concern of the government of Lesotho to maintain the existing contract labour agreements with South Africa. As a result there has been a tendency to avoid dealing with instances of non-compliance with labour law, particularly by foreign labour contractors. Third, the continued use of labour brokers to recruit migrant workers poses considerable challenges to the national labour laws that are based on the existence of a conventional employment relationship as the mechanism through which rights are conferred. To give adequate protection to Basotho migrant workers in South Africa, the Ministry of Labour and Employment should monitor temporary labour mobility more closely. Failure to do this will undermine the economic and social development goals of the country.

Fourth, the existing national migration frameworks are not sufficiently integrated into poverty reduction strategies. If migration is to become an effective vehicle to improve the social and economic situation of the poor, it has to be connected to other government development policies and systematically factored into the current national poverty reduction strategies. Also, immigration policy has weak links with the national poverty reduction strategies (as evidenced by poverty reduction strategy papers) yet only limited attempts have been made to integrate migration realities into national economic planning strategies. Not surprisingly, immigration policies and poverty reduction strategies in Lesotho are quite separate.

Fifth, although bilateral labour migration agreements exist with several countries, there is little evidence to show their effectiveness, as the direct recruitment of Basotho medical professionals and teachers by both developing and industrialised countries is still a major challenge. New labour export schemes are needed. These will require some bilateral agreements between the governments of South Africa and Lesotho on new temporary labour schemes that provide maximum benefits to migrants and both home and receiving countries. This should help to improve on the current practices whereby labour migration is much more influenced by the policies of the South African government and various mining organisations than by the government of Lesotho's policy.

Sixth, although the government acknowledges the contribution of its diaspora to national development, it has not yet developed programmes that aim to encourage the involvement of Lesotho's nationals in other countries. The current ad hoc diaspora engagement initiatives that are organised by the government in collaboration with agencies, such as the IOM and the UNDP, need to be strengthened in order to attract many members of the diaspora to return.

## 10.6 Policy proposals

The government of Lesotho has a keen interest in promoting positive migration practices but much more needs to be done. The government needs to collaborate with

multilateral institutions and the private sector to put in place frameworks that can promote the linkages between migration and development. These policy initiatives could relate to labour retention, return migration and labour recruitment, as well as to remittance transfers, all in the context of mainstreaming migration into national development policy while also promoting the rights of migrants.

*Labour retention policies:* Brain drain has detrimental effects on the national economy by hampering the growth and development of industries and service sectors because of shortage of skills. The New Economic Partnership for African Development specifically recognises the reversal of 'brain drain' as a sectoral priority. The government of Lesotho needs to consider countering 'brain drain' and mitigating its effects on the national economy as important policy objectives. This requires at least two approaches. First, there is a need to counter the exodus of skills by promoting the retention of national human capacities and targeting economic development programmes to provide gainful employment. Also, the government should aim to regulate international recruitment agencies to avoid excessive depletion of skills in key socio-economic sectors such as health and education. Second, there is a need to counter the effects of brain drain and promote brain circulation possibilities by encouraging nationals abroad to contribute to the development of the country through programmes such as temporary and permanent return migration. To achieve this, the government will have to consider implementing several strategies including retention strategies for skilled professionals.

*Remittance transfers:* The government of Lesotho needs to find ways to facilitate the flow of remittances into the country. This could be achieved by reducing the level of time-consuming red tape that discourages diaspora investors. Second, make formal remittance channels more attractive by reducing transfer costs and by expanding cash-receiving infrastructure, such as microfinance institutions, especially in the small urban areas.

*Mainstreaming migration:* This could be achieved by putting in place strategies aimed at reducing poverty, improving living and working conditions, creating employment opportunities and developing skills that can contribute to addressing the root causes of migration.

*Labour and human rights of migrants:* There is a need to strengthen responses to the needs of migrant women, particularly ensuring that their health needs, labour rights and human rights are respected. Efforts should be made to continue integrating gender perspectives in national migration management policies and strategies. Also, there is a need to promote informational/educational campaigns that raise awareness about the gender dimension of migration among policy-makers and personnel involved in migration management.

## Note

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