

AUTHOR:

Khotso Ketsi¹

AFFILIATION:

¹Lecturer, Department of
Historical Studies, National
University of Lesotho

EMAIL:

khotsoketsi@gmail.com

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BOOK REVIEW

SM Maliehe, *Commerce as Politics: The Two Centuries of Struggle for Basotho Economic Independence*, New York, Berghahn Books, 2021, e-book ISBN: 978-1-78920-982

Business history, history of entrepreneurship, and related, are areas which have not been particularly well-served in the historiography of Lesotho, that is, until now. Apart from two biographies of Frasers Company (a European owned enterprise),¹ there are two other references of note. These include a section in a book chapter on aspects of the colonial economy of Lesotho² and an unpublished seminar paper on the history of financial institutions in Lesotho.³ A significant contribution started recently, around 2014 to be precise, with a series of articles from Sean Maliehe on various aspects of business history (for example, a critique of political economy of commerce, the rise and fall of indigenous entrepreneurship, and a few others).⁴ These works are mostly a result of postgraduate research, including extensive post-

1 J Walton, *Father of Kindness and Farther of Horses – the fortunes of Frasers Limited* (Moriya: Morija Printing Works, 1958); CA Danzinger, *Traders' Century – The Fortunes of Frasers* (Cape Town: Purnell, 1979).

2 M Thabane, "Aspects of Colonial Economy and Society, 1868–1966". In: NW Pule and M Thabane (eds.), *Aspects of the Political Economy of Lesotho, 1500–2000* (Roma: Department of History, National University of Lesotho, 2002).

3 M Thabane, "Indigenous Entrepreneurial Initiatives to solve Problems of Access to Credit in Lesotho, 1868–1975", Historical Studies Seminar Series – National University of Lesotho, 11 February, 2009.

4 See among others, S Maliehe, "An Obscured Narrative in the Political Economy of Commerce", *HISTORIA* 59 (2), 2014; S Maliehe, "The Rise and Fall of African Indigenous Entrepreneurs' Economic Solidarity", *African Economic History* 45 (1), 2017.

doctorate research by this scholar, of which the book, *Commerce as Politics*, is a culmination.

Commerce as Politics is, therefore, the first major attempt at a comprehensive history of business and some aspects of the broader economic history of Lesotho over the last 200 years. The focus is on ordinary Basotho and their trials and struggles, in different epochs, to establish themselves in business to generate prosperity for themselves and their communities. According to the author, opportunities have availed themselves now and then, but national politics and misguided policies, among other things, have constantly stood in the way of progress in business. How and why this unfolded is empirically chronicled in this book in three parts: pre-colonial, colonial and post-colonial periods. This is a long haul (*longue durée*), with all the advantages and disadvantages of such an approach.

In the first part, the author outlines the transformative power of markets as a conceptual frame; thus: markets placed the Basotho nation in the nineteenth century in a regional economy as a major supplier of grain. Basotho were able to adopt technologies that were introduced by European missionaries, Boers and the British - to generate prosperity for themselves. The success became feasible as Basotho drew from the cooperative practices such as *matsema* (work parties) inherent to their social organisation. By the 1870s, the country had become "the granary of" the whole "Orange Free State" and the mining town of Kimberly, among others. In the ensuing prosperity, ordinary Basotho were able to free themselves from oppressive chiefly rule and to determine their future. Prosperity, however, also encouraged the development of individualism – a typical capitalist market trait – which served to undermine the social fabric of the Basotho society upon which the prosperity was based. In a manner that was to repeat itself at critical periods in the history of entrepreneurship in Lesotho, individualism led some forces within the Sotho society to collaborate with foreigners at the expense of the collective good of the nation. Such then was to be the basis for the story of alienation and marginalisation of Basotho entrepreneurs that was to characterise the subsequent history of the nation.

In the second part, the author demonstrates the workings of colonial power as exercised through the hierarchies in the system, comprising government officials, the chiefly class and the European merchants. Specifically, the author shows how the state colluded with the European merchants, notably the Frasers' brothers, to exclude Basotho and, to some extent, the Indian traders from participating in colonial commerce. Commerce had become an important pillar in the domestic economy, following the fall of agriculture and the rise of the migrant labour economy. Still, Basotho were not granted licenses to operate business except in the remote and inaccessible

areas. They were also prohibited from securing credit from commercial banks. As a result, only a few Basotho were able to insert themselves into the exclusive economy, relying, as they did, on their cooperatives for finances. It was only towards the end of the colonial period that the state issued licenses to more Basotho, including women for the first time, and to support the cooperative effort as part of the late colonial reforms in anticipation of decolonisation.

After independence, Basotho continued to operate through cooperative effort and ultimately formed a bull-buying syndicate called "*Thekommoho*" (buy together). This local initiative was destroyed by the independence government (Basotho National Party – BNP) as it threatened to undermine the long standing European monopoly in commerce. The other motive was political: local traders in *Thekommoho* were also members or sympathisers of the opposition Basotho Congress Party (BCP). Subsequent government policies included the formations of parastatal organisations charged with promoting business and trade, such as the Lesotho National Development Corporation (LNDC- 1967), and the Basotho Enterprise Development Corporation (BEDCO - 1975). These were fraught with corruption and could not even entrust local business initiative with credit. Following the military Coup of 1986 that toppled the BNP government, the country was introduced to the International Monetary Fund Structural Adjustment policies. These were taken over and implemented by the civilian government of BCP, which took over in 1993. Fifteen years after the re-installation of the civilian government, the country was plagued by major inequalities, rising levels of unemployment, poverty, and the continued marginalisation of the local traders. Worse still, the whole retail sector had come to be dominated by the Chinese immigrants who were able to employ the bulk-buying technique and could squeeze out local competition through price cutting. The salvation for Basotho seem to lie in the emergent money markets of MPESA and the Eco-Cash. Thus, as they had successfully responded to new technologies introduced to them by Europeans in the nineteenth century and used money and markets to build a future, the hope is that Basotho will be able to take advantage of this new development and rekindle their business fortunes. This, however, is, at best, a matter of opinion on the part of the author, since the book does not analytically build up to that conclusion.

While the book makes a compelling and particularly well-written story at the descriptive level, the weakness is at the analytical level. Markets and market relations are often best seen as a manifestation of specific material conditions obtaining at a given point in time. Therefore, it is difficult to see how these could be used as a general theory to explain change over time. Furthermore, to invoke the pre-capitalist moral economy as entailed in

cooperative tendencies, the author extolls in the book may not translate easily to the analysis of contemporary society, except for celebratory historical purposes that the author disparages. Therefore, it would seem that the book could benefit from a much stronger social theory beyond, to borrow Bates' phraseology, the miracle of the markets.⁵ Those who subscribe to orthodox class analysis will be particularly disappointed with the book as the author eschews class differentiation. Even the focus of the study is presented as an undifferentiated lot, variously called Basotho, Basotho traders, traders, the majority, the people, etc.

However, raising these issues should not detract from the fact that the book is particularly well researched, using an exceptionally well-balanced input of archival, oral, and even ethnographical material. While one may be excused for questioning the use of the author's personal anecdotes in the text, it is very clear that the ethnographic "insights" serve a good cause in sharpening our understanding of the experiences of traders in Lesotho. As an exercise in the documentation of the various twists and turns in the development of entrepreneurship in Lesotho and the contemporary state of business in the country, this is one book that will be with us for a very long time to come.

5 R Bates, *Beyond the Miracle of the Market: The Political Economy of Agrarian Development in Kenya* (Cambridge: Cambridge University Press, 1989).