



## **Prospects and challenges of Matekane Group of Companies in transforming rural livelihoods at Mantšonyane, Lesotho**

M. L. MUSI\* and M. J. MATHOSI

Department of Development Studies, National University of Lesotho, Roma 180, Lesotho

\*Corresponding Author: [mokone.musi@gmail.com](mailto:mokone.musi@gmail.com)

<http://orcid.org/0000-0001-8987-0413>

### **ABSTRACT**

Attempts since independence in 1966 to transform the rural sector in Lesotho have failed to achieve the intended outcomes and most rural development projects have since collapsed. This research was conducted with smallholder farmers who were members of the Leronti Farmers' Association in Mantšonyane, Lesotho to investigate the contribution of the corporate sector to community engagement for rural transformation, a domain that has largely been ignored in rural studies in Lesotho. The qualitative data revealed that the Matekane Group of Companies, using many projects, had the potential to engage the community of Mantšonyane to transform the rural sector as it was able to increase agricultural production, revived the spirit of care for the community and environment, enhanced the rural-urban migration and multiple livelihood strategies. However, the findings showed that the Matekane Group of Companies faced some challenges in changing the rural community as the projects were too few, used complex and expensive technologies and communities lacked skills to effectively engage in transformation. The implications of the study were that more projects targeted to rural transformation be implemented, all stakeholders in rural transformation work together, complex technologies be complimented with cheaper and lesser complex technologies and farmers' education be intensified for effective dissemination of information to enhance rural transformation.

Key words: Community engagement, Lesotho, Mantšonyane, rural tranformation

### **RÉSUMÉ**

Les tentatives depuis l'indépendance en 1966 de transformer le secteur rural au Lesotho n'ont pas réussi à atteindre les résultats souhaités et la plupart des projets de développement rural se sont effondrés depuis. Cette recherche a été menée auprès de petits agriculteurs membres de l'association des agriculteurs de Leronti à Mantšonyane, Lesotho, pour étudier la contribution du secteur privé à la mobilisation communautaire en faveur de la transformation rurale, un domaine largement négligé dans les études rurales au Lesotho. Les données qualitatives ont révélé que le groupe de sociétés Matekane, à l'aide de nombreux projets, avait le potentiel de mobiliser la communauté de Mantšonyane pour transformer le secteur rural, car il était capable d'augmenter la production agricole, de raviver l'esprit de solidarité envers la communauté et l'environnement, d'améliorer la migration rurale-urbaine et les stratégies de subsistance multiples. Cependant, les résultats ont montré que le groupe de sociétés Matekane était confronté à certains défis pour changer la communauté rurale, car les projets étaient trop peu nombreux, utilisaient des

technologies complexes et coûteuses, et les communautés manquaient de compétences pour s'engager efficacement dans la transformation. Les implications de l'étude sont que davantage de projets visant à la transformation rurale soient mis en œuvre, que toutes les parties prenantes de la transformation rurale travaillent ensemble, que les technologies complexes soient complétées par des technologies moins chères et moins complexes, et que l'éducation des agriculteurs soit intensifiée pour une diffusion efficace de l'information afin d'améliorer la transformation rurale.

Mots-clés: Mobilisation communautaire, Lesotho, Mantšonyane, transformation rurale

## INTRODUCTION

Rural development projects in Lesotho attempted to increase agricultural productivity based on the notion of the classical literature on agrarian question that agricultural changes would spur rural transformation. But studies have shown that increased agricultural productivity is not an adequate condition for rural transformation as it depends on an array of factors including political and economic incentives as well as existing institutions in the country (Lipton *et al.*, 2003; Higgins *et al.*, 2021). The classical literature explains rural transformation as a transition of a low productivity, labour-intensive rural economy to a market-oriented and capital-intensive one leading to the release of surplus labour from agriculture to industry. IFAD (2016), FAO (2016) and FAO (2017) have argued that an increase in agricultural productivity is only part of rural transformation while sustainable and inclusive rural transformation entails changes in the composition of livelihood activities and continuous improvements in income, assets, off-farm productivity, social capital, nutrition, education and gender equality. Similarly, Moriggi *et al.* (2021) state that rural transformation, unlike simple transition involves fundamental changes, not minor, marginal or incremental changes to the rural sector. For a long time, the Government of Lesotho in collaboration with development partners focused on increasing agricultural productivity to reduce poverty hoping to initiate rural

transformation. Most of the rural development projects based mainly on agricultural changes consistently failed leading to some scholars confirming that the failure of rural development project was a norm in Lesotho as it was a case in other developing countries (Ferguson, 1990). Most studies in Lesotho dwell on investigating the failure of rural development projects without exploring alternative approaches that could lead to sustainable rural development and at the same time ignoring the contribution that other sectors like the private sector can add to rural transformation.

This paper addresses this gap in literature and practice by investigating the potential contribution of the Matekane Group of Companies' (MGC) Corporate Social Responsibility (CSR) initiatives to rural transformation using the case study of Leronti Farmers' Association at the village of Ha Leronti, Mantšonyane, Lesotho. The specific objectives of the study were to investigate whether the MGC's CSR helped the smallholder farmers increase productive, revived the spirit of care for the environment and the community, promote urban-rural linkages to enhance their livelihoods, generate multiple livelihood strategies and improve the social capital; and investigate the challenges MGC and the farmer's association were encountering.

The study focused on smallholder farmers in Lesotho because they are some of the

vulnerable groups likely to be bypassed by rural development initiatives, a phenomenon common in developing countries (FAO, 2017). The focus is based on the corporate sector because in Lesotho as it happens in other countries, the business sector has been transforming the rural physical and social landscape causing environmental and social problems (Matli, 2005; Sawkar, 2014; Sahoo, 2015; Musi, 2021). The corporate sector has been transforming rural areas for various reasons including building the corporate image (Almeida and Coelho, 2019) and averting conflict with rural communities which delay business activities and for philanthropic reasons among others (Arena *et al.*, 2016). In the same manner, in Lesotho, the corporate sector is transforming rural social and physical landscape for good or vice as much of the land is being taken for mega projects like dams for hydropower generation and sale (Mwangi, 2007), mining of natural resources (Hlojeng, 2020; Musi, 2021) and in some cases for dubious reasons tantamount to what other scholars label land grabbing (Hall *et al.*, 2015). These activities limit rural communities to diversify their livelihoods. Nonetheless, some of the business entities have initiated rural projects meant to change the social conditions of the rural communities and in some cases helping rural communities to diversify their livelihoods (Hlojeng, 2020; Musi, 2021; Mathosi, 2022).

We use qualitative data and some descriptive statistics from the key participants complimented with data collected through interviews with the members of Leronti Farmers Association initiated by the MGC. The main focus of the study was based on the Leronti Farmers Association but reference has been made to other projects initiated by MGC to illustrate the comprehensiveness of the CSR in transforming the smallholder farming community.

The remainder of the paper first reviews literature on rural transformation, exploring

classical debates on agricultural transition. Second, the paper reviews literature on rural transformation in Lesotho discussing how it has been implemented and reasons for its failure. Third, the debate move to the contribution of the corporate sector through CSR on rural transformation, highlighting the prospects and challenges of this sector in transforming the rural community. Fourth, the paper presents the methods used to collect and analyse the data. Fifth, the paper presents the findings and discussion while the final section presents the conclusion and recommendations.

### **Rural livelihoods and rural transformation.**

A large number of people, estimated to be over half of the world population, continue to live in rural areas, deriving their livelihoods from agriculture. The debate concerning rural livelihoods and transformation has been ongoing for millennia since Lenin and Kautsky's landmark publication in 1899 (Li, 2011). Rural transformations espousing capitalist views of development have been observed in many parts of the global south, including South Asia (Gibson *et al.*, 2010). The capitalist process of rural transformation is conceptualized to include among others agricultural mechanisation, monetisation, commoditization, proletarianization and out-migration as the key drivers of rural transformation (Higgins *et al.*, 2021). This process is accompanied by the transition of a low productivity, labour-intensive to market-oriented, capital-intensive and on- and off-farm activities (Barret *et al.*, 2009; Berdegúe *et al.*, 2013). Lately, institutions like ADB (2013), IFAD (2016) and FAO (2017) have popularised rural transformation. These institutions have argued that rural transformation should be understood as more than an increase in agricultural production because it encompasses a whole range of changes in the composition of rural livelihood strategies and activities that go together with continuous improvement in income, assets, off-farm productivity, social

capital, nutrition, education and gender issues. Prior to this popularisation of rural transformation, development economics was one of the academic disciplines in which rural transformation was rooted. Just like in the classical literature, development economics describes rural transformation as movement of labour from low agricultural productivity to higher urban productivity consisting of industry and services leading to economic growth characterised by decline in the share of agriculture to domestic product (Lewis, 1954). This view of rural transformation is described as a defining feature of development which ultimately results in higher welfare for all measured in GDP per capita (Barret *et al.*, 2010).

Although the classical debate on the agrarian question dominated the framing of rural development for a long period of time, their views have been challenged, leading to multiple but more or less compatible questions (Bennike *et al.*, 2020). Scholars like Bernstein (2006) and others argue that the agrarian question has been resolved following the full incorporation of agriculture into capitalist forms of production and removal of feudal productive relations in the countryside. Other scholars operating from the perspective of the mode of production argue that the agrarian transformation is uneven and incomplete resulting in hybrid forms of rural production (Sugdn *et al.*, 2018). There is another group of scholars who believe that the agrarian question is no longer useful because it is no longer a necessary condition for capitalist development in the rural sector (Akram-Lodhi and Kay, 2010).

Researchers operating from the critical agrarian perspective have been using the concept of rural transformation (Bremen and Mundle, 1991; Akram-Lodhi and Kay, 2008; Kay, 2015). Though much of this literature shares the same sentiments about the ways in which rural areas are transformed under capitalist development,

they are critical about how agricultural and rural livelihoods are changed leading to social and economic differentiation that gives rise to inequality, dispossession and exploitation. In particular, critical studies pays attention to questions of agency of the exploited, oppressed and marginalised groups within the rural-urban and agriculture-industry trajectories (Borras, 2023). These scholars are critical about classical framing of rural change blaming it for being unidirectional and failing to recognise the heterogeneous existence of non-capitalist social relations of obligation and access rights in the rural areas that contribute to distinctive forms of social cohesion based on the interdependence of the landed and landless (Gibson *et al.*, 2010). Also, Gibson *et al.* (2010) noted that there were problems with unidirectional representation of rural sector urging that conflating the rural sector with agriculture, farm work, informal market networks and confinement of the local is far too misrepresentation of the rural economy. This representation of the rural sector fails to recognise the presence of non-agricultural sector, non-farm work, formal markets and global connections existing in the rural areas (Gibson *et al.*, 2010).

This argument suggests that rural livelihoods have remained diverse, and their transformation and framing need a rethink from the classical model, which was unidirectional to a diverse transformation that takes cognizance of existing diverse rural livelihoods (Gibson, Cahill and Mackay, 2010). The new multidimensional model according to Gibson *et al.* (2010) should take into account the diverse livelihood strategies for the rural poor and should refrain from worsening the vulnerability of rural livelihoods. The livelihood approach developed by Robert Chambers and others is recommended as a framework that takes into consideration the diverse livelihood strategies that rural households and individuals employ to earn a living. Hence efforts to transform the rural economy should not focus on agricultural

changes only but should also focus on helping smallholder rural farmers to diversify their livelihood strategies (Higgins *et al.*, 2021). Nonetheless, the role of agriculture in rural transformation is still fundamental in making some scholars like Mellor (2018) to argue that agriculture may spur rural transformation when local small commercial farms instigate local non-farm growth through their expenditure pattern. It is argued that the use of productivity-enhancing technologies on-farm could fasten the process of rural transformation because part of the rural labour force could be freed to participate in non-farm work.

**Rural livelihoods and transformation in Lesotho.** Although Rural livelihood strategies in Lesotho have always been diverse, they mainly oscillated around crop and animal production at times supplemented by remittances from migrant labour system to a point where the remittance had grown to be supplemented by income from crop and animal production (Murray, 1981; Ziervogel and Calder, 2003; Bloomer, 2019). During the colonial days, the country supplied food grain to the South African mining towns (Mofuoa, 2016, Rantšo, 2016) which resulted in Lesotho gaining the label of “the granary of the Southern African,” the granary which was subsequently turned into a labour reserve altering the livelihood strategies (Tylor, 1997). The discovery of diamonds in Kimberley in the 1880s and the subsequent discovery of gold in other parts of the southern region severely affected Lesotho’s livelihood strategies based on crop and animal production resulting in massive labour migration as Basotho men rushed to the mining areas leaving livestock and crop farming in the hands of females. The labour migration grew in leaps and bounds by the second half of the twentieth century with over 200, 000 men working in the mines in the Republic of South Africa ensuring that Lesotho was no longer inhabited by the peasantry depended on subsistence agriculture as it was a case before

colonialism but the country was beginning to depend more and more on remittances supplemented by agriculture (Murray, 1981). However, by the mid-1980s, several changes including changes in the markets of minerals and the political climate in South Africa led to massive retrenchment of mine workers (Mensah and Naidoo, 2011). These changes affected the livelihood strategies from male dominated labour migration to female dominated (Rantšo, 2016).

Amidst the decline in labour migration, rise in unemployment, the loss of arable land, cross-border stock theft and climate change the poverty situation is worsening in Lesotho. As a result many rural communities revived some of the livelihood strategies like small-scale diamond mining (Thabane, 2000a; Makhetha, 2016; Makhetha, 2017). These strategies are changing to keep pace with the prevailing circumstances of mine retrenchment, climate change and escalating livestock theft (Thabane, 2004; Bloomer, 2009; Pule *et al.*, 2013; Makhetha, 2016). Climate change has made subsistence crop farming unsustainable leading some rural residents to resort to the production of cash crops like cannabis (Bloomer, 2009). The LHWP in the mid-1980 documented how the production of cannabis became an essential source of livelihood for individuals who needed a cash crop that would withstand harsh climatic conditions. A report for LHWP estimated that a large number of rural residents in Lesotho grew cannabis as one of the livelihood strategies forcing the LHWP to contemplate compensating rural communities’ lost income from cannabis due to dam construction (Bloomer, 2019).

Circumstances have led many Basotho to engage in land sales, a phenomenon unthinkable in the past in Lesotho because land has always belonged to all Basotho, as it was trusted to the King. Thebe and Rakotje (2013) in their study of livelihood strategies in Lesotho conclude that peri-urban and rural communities have

engaged in rural land sales and rental markets converting agricultural land into an alternative livelihood strategy to diversify and secure their livelihoods threatened by climate change and raising unemployment among others. Hence, as studies show (ADB, 2013; IFAD, 2016 and FAO, 2017) attempts to transform the rural sector should take into consideration that rural communities have always used diverse livelihood strategies and therefore should increase the livelihood opportunities not to limit them, something which was not considered by the government of Lesotho when implementing rural development projects.

The government of Lesotho in partnership with local and international non-governmental institutions have been working together to transform the rural economy since independence in 1966 using large scale area-based projects (Mashinini and De Villiers, 2002). These rural development projects included Thaba-Bosiu, Khomokhoana, Matelile and Thaba-Tseka Integrated Rural Development projects (Rantšo, 2016). The Thaba-Tseka Integrated Rural Development Project which covered the Mantšonyane area, just like other projects, was established with the hope to modernise the rural sector culminating in several projects that included livestock production, range management, crop production and projects on health and rural water supply. The rural farmers were encouraged to shift their focus from traditional crops and livestock to production of cash crops like wheat and peas (Ferguson, 1990). The projects failed to transform the rural sector confirming views expressed in the literature that rural transformation is more than just increase in agricultural productivity but involves a right mixture of politics, economics and institutions (Lipton *et al.*, 2003; Higgins, Arslanand and Winters, 2021).

Much of the scholarship on rural changes in Lesotho has predominantly focused on the reasons for failure for rural development without necessarily showing that the private

sector has been involved in transforming the rural areas and the agricultural sector (Rantšo, 2016). Scholars expressed differing views about the impact of rural development in Lesotho and their consequent impact on rural communities. It is reported that it has been a norm for projects intended to transform the rural communities to fail and the phenomenon is not unique to post-colonial period but marred rural development projects during the colonial period (Ferguson, 1990; Wallman, 2005). Both colonial and post-colonial machinery have been blamed for lack of self-criticism and both have been blamed for using development projects to consolidate their political power (Ferguson, 1990; Matlosa, 1999). Mashinini (2000), Wallman (2005) and Johnston (2007) put the blame on the political elites and ordinary Basotho for the failure of rural development projects, arguing that the elites did not make effort to develop their countries though they were aware that it needed transformation as contribution from rural development expert was inadequate and where it existed it was overwhelmed with work (Wallman, 2002). There was also a view that ordinary Basotho did not want to adapt to new agricultural technologies preferring to continue with their traditional agricultural methods and technologies (Mashinini, 2000).

#### **Contribution of CSR to rural transformation.**

The debate on the relationship between CSR, rural development, and development in general is emerging, leading to diverse perspectives (Idemudia, 2014). While the analysis of the relationship between CSR and development in the African context has been insightful, there is a lack of sufficiently grounded and systematically accumulated empirical evidence and as Banks, Scheyvens, McLennan and Bebbington (2015) argue, the literature on CSR and development is polarised and dominated by perspectives from the corporate sectors itself. Much of the debate questions the transformative nature of CSR from being the cause of underdevelopment to becoming the solution (Idemudia, 2014). The emerging

literature on SDGs maintains that it will be difficult to attain the SDGs without the contribution of the private sector, suggesting a shift in the perceived role of business as only a profit-driven organisation to being an agent of development (Spencer, 2018). According to Agudelo, Jóhannsdóttir and Davidsdóttir (2019) this new view of the corporate sector refutes Friedman's long-held view that the only responsibility of a business is to make profit. It is believed that the private sector has an added advantage of contributing positively to development including the 2030 development agenda because it has the capital, resources and power to play a central role in poverty reduction and many other aspects of development (Spencer, 2019). In addition, other scholars believed that the private sector could contribute to development and rural development because of its strength in innovation, responsiveness, efficiency and provision of specific skills and resources (Scheyvens *et al.*, 2016).

There is, however, a growing body of literature which is critical about the role of businesses to rural development and development in general positing that there are lingering questions concerning the alignment of corporate interest and those of the poor arguing that sometimes the business case overrides the development case (Blowfield, 2005). Some studies contest view that the corporate sector best transforms the rural sector arguing that it is fallacious to believe that corporations can succeed where governments, non-governmental organisation and international development organisation faced complex challenges and intractable difficulties (McEwan *et al.*, 2017). The concern stems from the way in which corporations work and understand communities as the stakeholders. It is argued that corporations face challenges relating to the way communities are understood, the disconnected nature of corporate initiative, the top-down governance embedded in corporate operations and that corporations fail to enhance participatory

processes and empowerment objectives (McEwan *et al.*, 2017).

Though there are limited studies on the contribution of the corporate sector to rural transformation in Lesotho, evidence shows that the corporate sector is changing the social and physical landscape, impacting rural communities negatively and positively (Matli, 2005; Mwangi, 2007; Hlojeng, 2020; Musi, 2021). It has been documented that much of the rural land has been taken away from rural communities for various reasons including mining (Musi, 2021), hydropower generation and sale (Mwangi, 2007) and other reasons equivalent to grabbing (Thebe and Rakotje, 2013; Hall *et al.*, 2015). These activities have negatively impacted the rural communities' livelihoods. Matli (2005) and Mwangi (2007) have shown how the Lesotho Highland Water Project has taken land from the rural communities, imposing social, economic and environmental consequences on these communities. Musi (2021) has documented similar impacts imposed by mining companies in the rural areas of Mokhotlong where communities suffer from land-related externalities and threats imposed by tailing dams. This evidence showed a need to diversify rural livelihoods given the negative impacts imposed by the private sector.

Hence, some private businesses have begun to engage rural communities in an attempt to transform their livelihoods (Matli, 2005; Hlojeng, 2020; Musi 2021). The Letseng Diamonds is engaging rural communities in many projects including the Vegetable project in Butha-Buthe, the dairy project and livestock improvement initiatives in Mokhotlong (Hlojeng, 2020; Musi, 2021) to diversify rural livelihoods. It is however documented that though CSR projects in Lesotho have brought positive changes to rural communities which facilitate rural transformation, they face many challenges like lack of sustainability

(Hlojeng, 2020), fail to engage communities effectively (Musi, 2021) and that some businesses operating in other sectors have limited capacity to transform rural livelihoods given their sensitivity to pandemics like the COVID-19 (Tlali and Musi, 2021). Musi (2021) in a study investigating the contribution of Letseng Diamond to rural livelihoods using dairy farming, reported how the participants complained about the mining company's lack of effective engagement with the community. Some respondents in the study complained that Letseng Diamonds used an authoritative style of management imposing projects that failed to meet the needs of the community. Despite these anecdotal evidences of the contribution of the private sector to rural transformation, little attention has been given to the Matekane Group of Companies' engagement of the rural communities for effective rural transformation.

## METHODS AND MATERIALS

**Sampling site.** The study was carried out at the village of Ha Leronti in Mantšonyane, Lesotho, a rural place located in the mountainous area halfway between Maseru and Thaba-Tseka districts (Peterson, 2021). Though much has changed, many places within the now Mantsonyance constituency are hard to research and have remained the same as Bishop Tutu described difficult experiences, he encountered navigating the mountainous terrains to reach a small church hospital and mission in the 1970s (Allen, 2006). The area is one of the poorest rural region in which out of over 70, 000 people roughly only 15% has access to salaried employment while majority of them rely on subsistence crop farming and animal husbandry (<https://hospital.tacosa.org/mantsonyane.html>). For many years, a large number of people in Mantšonyane depended on remittances from labour migration from South Africa which have dwindled drastically since the 1990s (Rantšo, 2016). Nonetheless, unemployment is high in the area and worse among youth given that unemployment is

estimated at around 40% of the labour force in Lesotho. According to health statistics, besides the high rate of HIV/AIDS in the whole country, Mantšonyane also faces other health challenges like tuberculosis, diabetes, and hypertension (<https://hospital.tacosa.org/mantsonyane.html>). Though Mantšonyane and other rural mountainous places were introduced to the modern commercial farming that intensified during the establishment of the Thaba-Tseka Rural Development projects in 1970, much has remained the same with the failure and total collapse of the project (Furgson, 1990). This area was chosen for the study because MGCs implemented and supported smallholder farmers resulting in an attempt to transform rural communities to diversify their livelihoods. The study area presented a good case study for rural transformation supported by the private sector because of the many initiatives MGC implemented in the area and because the area is a typical rural area characterised by the vulnerability of the community to natural and man-made factors.

**Data collection.** Face-to-face interviews were conducted for six months from July to January 2022 with thirty-one household heads who were members of the Leronti Farmers Association, using ethnographic methods. Key Informant Interviews (KIIS) were conducted with four (4) individuals privy to the CSR initiative consisting of the CSR manager, chairperson of the Leronti Farmers Association, community councillor and the village chief. Observation methods were used in which the researchers lived and interacted with the community observing some of the activities related to agricultural production including ploughing, harvesting and sorting products for the market. The participants were selected using expert knowledge and the household heads of all thirty-one members of the Leronti Farmers Association were recruited given they formed a small group not necessitating sample selection. Members of the community who were not

members of the Leronti Farmers Association were excluded from participation.

**Data analysis.** The data collected through interviews were transcribed into a word document to be analysed using thematic analysis with the assistance of the Atlas.ti programme. The programme helped the researcher to organize the data and develop themes in a process consisting of developing descriptive codes, conceptual categories and themes (Vaismoradi et al., 2013). Five major themes informed by the literature review emerged consisting of increased agricultural production, care for the community and environment, rural-urban connection, multiple livelihood strategies and challenges facing the project. We followed the Consolidated Criteria for Reporting Qualitative Research data using a combination of shorter quotes within the narrative and longer block quotes using a unique identifier (Nowell et al., 2017). Descriptive statistics were used to summarise some respondents' personal details and other information concerning their livelihoods. The rigor of the study was ensured by observing principles of reliability and validity in qualitative research like triangulation (Korstjens and Moser, 2018), dependability (Yin, 2003; Cohen et al., 2011) and presenting a detailed description of the study area and how categories were formed (Ghafouri and Afoghi, 2016). For ethical reasons, the respondents' personal information like names that would reveal their identity was not used. They were given numbers to represent their identity using numbers like P1, and P2 to represent participants one and two, respectively.

## **FINDINGS AND DISCUSSIONS**

**Socio-demographic characteristics.** The results showed that the majority of the respondents were females (51%) which was not surprising in the case of Lesotho where the population consists of 52% females and 48% males (Bureau of Statistics, 2018) and Lesotho has a long history of women's participation

in rural development projects following the historical male migration (Rantšo, 2016). The majority of the respondents (90%) did not go beyond the secondary level, which is a common phenomenon in developing countries where access to education is challenged by many factors, including schools that are few and far apart (Folgman, 2017). Most of the respondents were adults whose ages ranged between twenty-one and seventy-two.

**Increased Agricultural production.** Studies have shown that rural transformation has been associated with increased agricultural production (Mashinini and De Villiers, 2002; Higgins et al., 2021). The findings showed that the Leronti Farmers Association with the help of MGCs used different approaches and technologies like improved seeds, irrigation systems, testing of the soil before ploughing, and use of tractors instead of cows and fertilisers to increase production. The respondents elaborated that farm inputs such as fertilizers and seeds which were not used before tremendously contributed to increased production of traditional crops such as maize. Similarly, they explained that the use of tractors and the irrigation system were responsible to speed up and increase production, participant 1 said: *"We now use tractors and they help us to finish agricultural activities faster than in the past when we were using animals."* Increased agricultural production has been coupled with the production of quality products using modern technologies as it happened with the Green Revolution (Nelson et al., 2019). In the case of the Leronti Farmers Association participants confirmed that the quality of their crops improved following the introduction of modern technologies saying *"The irrigation, for example, has tremendously helped us to produce quality crops because during droughts crops get sufficient water and grow well unlike in past when drought used to compromise quality."* (P14).

Studies have shown that increased agricultural

production is not a sufficient condition for rural transformation hence more activities should be taken into consideration in increasing production to enhance rural transformation (IFAD, 2016; FAO, 2017). The MGC established working relationships with experts from the government who advised the farmers on agricultural techniques. Connecting the smallholder farmers with experts demonstrated MGC's potential to transform the rural farmers as literature in Lesotho demonstrated that this practice did not perform well with previous rural development endeavours (Mashinini, 2000; Wallman, 2005;). Stating the reasons why the experts were invited, the participants said "MGC wanted to ensure that the type of crops we grew were suitable for the type of soil to produce quality products", [participant 2]. Accordingly, this way of preparing for crop production was new to the smallholder farmers in rural villages who have never invited experts during any planting season. The information was consistent with much literature on commercial farming in which the production of quality crops is preceded by an extensive preparation of soil including testing and improving the quality of soil when need be (Nelson, Ravichandran and Antony, 2019). Literature on the collapse of rural development projects in Lesotho has shown that advice from experts was either lacking or where it was available the experts were overwhelmed with work (Wallman, 2005).

**Revived spirit of care for community and environment.** The Leronti participants agreed that MGC's CSR epitomised the community's long-standing local economic practices of care, sharing and equity that works to maintain and stabilise the local community. The planting of vegetables, potatoes and a variety of fruit trees like apples and grapes were practices that safeguard and strengthened the social and natural habitat, ensuring that flows of food, income and resources meet people's needs. One participant explained '*We sell some of*

*the products but the excess we eat and provide to those who cannot afford.'* (P25). MGC's CSR strengthened the acts of care to maintain acceptable minimum levels of consumption within the community reducing vulnerability of the marginalised groups like widows, aged, landless, sick and people living with disability. These practices and activities epitomised an ethic of care for nature and the agriculturally modified physical environment as it was a case in the Jagna community in Asia (Gibson *et al.*, 2010). The respondents maintained that MGC introduced a variety of fruit trees to provide variety of foods but above all the trees safeguard the land from soil erosion as it was the case in the past when the community was using traces to prevent soil erosion.

**Rural-urban connection: Marketing the produce.** Studies on rural transformation explores the connectedness of the rural and urban areas which were traditionally viewed as separated entities only connected through agricultural products from rural areas to urban areas (Vliet, Birch-Thomsen, Gallardo *et al.*, 2020). However, there is a growing body of literature demonstrating that the distinctness between rural and urban areas has always been blur and the rural transformation processes further blurs the distinction in different way including migration, infrastructural development and marketing of agricultural products (Vliet *et al.*, 2020). Part of the literature maintains that rural transformation should strengthen the urban-rural connections and increase livelihood opportunities for rural communities (Gibson *et al.*, 2010). During the study, MGC was helping the smallholder farmers at Ha Leronti to establish links with urban markets blurring the rural-urban distinctions. The marketing of the products from the farm like vegetables, potatoes and wheat created connection between the smallholder farmers in Mantšonyane with firstly the small rural town of Mantšonyane in which the products were sold to individuals and shops in

the area. Secondly, the farmers through their association marketed and sold their vegetable to the Vegetable Market Centre in Maseru, over one hundred and twenty kilometres away. Lastly, since the farmers at Ha Leronti are located between Maseru and Thaba-Tseka, there was a connection between the farmers and the town of Thaba-Tseka based on movement of agricultural products. The respondents confirmed the connectedness between their rural place and urban centres saying “I move between my village and the market centre many times a week. Last week I brought a truck load of cabbage to the market. Today I am going to the market again because I was told all the cabbage was sold. I am bringing two full-min trucks loads of cabbage to the market.” (P1). The smallholders farmers movement between the rural area and urban centres continues throughout the year because they produced

goods that go to the market at different times as planting of cabbage is staggered to be ready for market at different times of the year while maize, wheat and potatoes get ready for the market at different times.

**Enhancing multiple livelihood strategies and social capital.** The data revealed that MGC engaged the community to enhance multiple livelihood strategies and built the social capital at the same time. The participant reported that they were engaged in on-farm activities like production of crops and in off-farm activities saying ‘MGC has helped us to produce crops that we consume such as maize and wheat but at the same time we are now producing agricultural products for the market.’ Table 1 shows livelihood strategies respondents were engaged in and their contribution to their overall income.

**Table 1. Percentage contribution of different livelihoods to Leronti Farmers’ Association for ploughing seasons 2020/2021 -2022/2023**

Type of Livelihood	2020/2021	2021/2022	2022/2023
Farm income from Leronti Farmers association	31.9%)	48.1%)	32.5%
Farming (Livestock)	14.1	10.7%)	14.1%)
Farming (Crops other than from the project)	6.9%	4.2	4.7%
Social grants (Pension)	0 (0)	2.6%)	6.6%)
Remittances / Assistance	17.6%)	12.2%)	14.7%)
Other businesses	29.6%)	22.2%)	27.4%)
Total	100%	100%	100%

Source: Field data, 2023

As Table 1 shows the agriculture constituted the main source of income sitting over fifty percent in all the years studied. It further shows that the farming project was contributing much higher than other agricultural activities since it commenced the sales in 2020/2021. The second highest contributor to livelihood income was the category of “other businesses” contributing 29.6%, 22.2% and 27.4% respecting throughout the three years. Our observation was that though the data showed that the respondents were engaged in multiple livelihood activities in the category of “other businesses”, few of them were engaged in activities that generate a lot of income like taxi industry and shops generating high income hence inflating this category’s contribution to livelihoods.

The study found out that MGC was engaged in other projects working in tandem with the Leronti Farmers’ Association to promote livelihood strategies and social capital. MGC was engaged in a CSR initiative focusing on spots in which a multipurpose stadium was built. The stadium promoted young rural youth in sporting activities with the hope of generating income and other livelihoods but at the same time during sports, the stadium becomes an outlet market for agricultural products produced on the fields and other non-agricultural items from the community. MGC was sponsoring annual marathons for the adults and youth generating income which is not related to on-farm but complementing on-farm activities. Other non-farm activities, potentially contributing to rural transformation were the educational and religious support to the community in which MGC was supporting the primary and high schools in the area and as well as the church. These activities have generated non-farm income which was unthinkable in the past. Students from the primary and secondary school and congregation from the church form an outlet market for agricultural products from the Leronti Farmers Association. These findings were in line with much of the literature

reviewed that an effective rural transformation is possible when the focus is not only on agriculture (ADB, 2013; IFAD, 2016; FAO, 2017).

**Challenges.** Studies focusing on rural transformation have shown that rural communities operate within a context of vulnerability consisting of shocks, trends, and seasonality (Chambars and Conway, 1992). The findings of this study showed that an effective rural transformative potential of the MGC’s sponsored CSR was threatened by many challenges. The respondents emphasized that bad weather was the major threat to crop production, saying, *“The weather in Mantšonyane is really bad; it has been affecting production since we started, but this year it was worse; it was very cold.”* (P9). The data revealed that they were not able to produce all the crops like beans and pumpkin as it was originally planned, limiting the variety of crops and income to be derived.

Leronti Farmers Association operated in an area with high levels of poverty and unemployment (Allen, 2006) hence stealing was one of the big challenges to production and transforming rural livelihoods. *“We realized that people from this village and those who pass by are likely to steal the cabbage as they have been stealing from the fields where we planted fruit trees.”* (P13).

The level of education posed a challenge for the farmers' association to achieve its aim. *“We could have formed a cooperative instead of an association, but lack of understanding from some of our members led to failure, hence we abandoned the idea of a cooperative in favour of an association,”* explained the chairperson of the association. Data further revealed that production was average most of the time leading to average sales hence the farmers failed to be independent from MGC in 2023 as it was originally agreed. One committee member expressed, *“We had agreed with MGC*

*that this year (2023) we will be independent; buy production inputs such as seeds for ourselves, but the not-so-good sales did not allow for that to happen.”* The chairperson added saying that members of the association still need more training for a better understanding of commercial farming, he explained, *“We still need more training and guidance to run this project because most of the time we want to utilise the profits instead of investing more, which also contributes to us failing to be independent.”*

Though studies emphasise the role of technology in enhancing rural transformation through increased food production and other related factors (Nelson *et al.*, 2019), the data showed that respondents were sceptical about the sustainability of their livelihoods due to complex and expensive technology that MGC had introduced leading to participant 1 commenting “the tractor and irrigation system are complex and expensive to run. Once MGC pulls out the association is unlikely going to run the project.” (P1) During the study the planned borehole and a main dam were not yet constructed hence irrigation was done using a water tank to fill the main tank. This was an expensive endeavour which threatened the sustainability of the association and rural transformation. The irrigation system itself was too heavy making the participants fear that when the support from MGC ended they will not be able to move it from place to place.

## **CONCLUSION AND RECOMMENDATIONS**

The aim of the study was to investigate the contribution of the Matekane Group of Companies in engaging the rural smallholder farmers for effective rural transformation. In particular, the study sought to investigate whether MGC helped the farmers to increase productivity, revived the spirit of care for the environment and society, improved rural-urban connections and enhanced multiple livelihood strategies for the farmers. The main conclusion is that the MGC through its corporate social responsibility has been largely

successfully in engaging the smallholder farmers for effective transformation as measured with the objectives of the study. However, the MGC and the farmers encountered some challenges necessitating some improvement in certain aspects.

It has been clear that MGC was able to increase productivity among the members of the Leronti Farmers’ Association but the increased production was achieved in the face of challenges like bad weather condition affecting production of certain agricultural products originally planned and the education status of the farmers and their knowledge based was an impediment for the success of the association. The implication of this was that though much cannot be done with the climate except to encourage farmers to concentrate on crops that are cold and drought resistant. It is further recommended that the Ministry of Agriculture and other stakeholders should concentrate on improve farmers skills and knowledge. In addition, it recommended that more businesses should engaged in rural farmers’ transformation because it has been clear that the MGC’s contribution was too small to effectively transform the rural sector in Lesotho.

The study concluded that MGC was able to revive the spirit of care for the environment and society, help the farmers to establish multiple livelihood strategies and improved urban-rural connectedness considered to be the pillars of rural transformation. But it is recommended that more should be done to improve the working relations between the private sector and other stakeholders like the church and local authorities such as the local government. This could be achieved with more training on aspects of rural transformation.

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#### STATEMENT OF NO-CONFLICT OF INTEREST

The authors declare that there is no conflict of interest in this paper.

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