

THE REVIEW OF THE LESOTHO'S AGRICULTURAL COOPERATIVES (ACs) POLICY: CHALLENGES IN EFFECTING SUSTAINABLE DEVELOPMENT

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ABSTRACT

This policy documentary analysis study backed by face to face in-depth interviews with agricultural cooperatives' (ACs) members explores the extent to which Lesotho's ACs policy addresses the challenges and problems of agriculture and improves the ACs members' livelihoods to bring about *sustainable development* in Lesotho. Such an expository policy examination focuses on issues of policy formulation, implementation and evaluation. The review encompasses some critical aspects of public participation in all the stages of the policy process to entrench democracy in the policy process itself. The study reveals that ACs members were not included in any form of public participation during the stages of policymaking. Cooperative members also claimed to be illiterate in all issues that concern the cooperative policy of Lesotho. Lesotho's participatory oblivious co-op policy is still ineffective in effecting *sustainable development* as it inadequately addresses members' challenges and problems.

Keywords: Sustainable Development, Agricultural Cooperatives (ACs), Public Participation, Lesotho, Cooperatives, Management, Decision-Making and Policy Evaluation, Cultural Practices.

GENERAL INTRODUCTION

Ideally, the agricultural cooperative policy should address the challenges and problems of agriculture and improve the farmers' livelihoods in Lesotho to effect sustainable development. The first stage for a policy process is often the policy formulation intertwined with remedial identification of problems' root causes. This is the stage where the government formulates policy alternatives to address the identified problems. At this stage, the government decides on which course of action or non-action it will follow to induce sustainable development. The second stage is the policy implementation. It involves the actual implementation of the decided upon policy. Lastly, it is the policy evaluation, involving the monitoring of policy outcomes. The whole of this process requires inclusion (public participation) of all role-players from government and society. Public participation is important in all stages of the policy process to entrench democracy in the policy process itself. However, this study reveals that the (productive) society was not included in any form of public participation during the stages of Lesotho's co-op policymaking. Cooperative members claimed that they are illiterate in all issues that concern the cooperative policy. This discovery constitutes one of the major setbacks for Lesotho's co-op policy in bringing about sustainable development/poverty alleviation.

This paper makes an overview of the effectiveness and efficiency of Lesotho's agricultural cooperatives (ACs) policy in sustainable development as a public policy essentially requiring public participation. It presents documentary analysis of ACs in the context of Lesotho. The study uses the National Cooperative Policy of Lesotho, 1999, the Review of the Cooperative Societies Act 2000 and the National Cooperative Policy 2009 as sources of data and information. Analysis of these documents is in accordance with the role they play, examining their successes or failures in sustainable development. Firstly, the paper examines the significance of the cooperative policies and the Cooperative Act of 2000. Secondly, it assesses the magnitude by which these policy documents achieved their purpose and addressed their development objectives. Lastly, documentary analysis presents the reliability and validity of the cooperative policies and the Cooperative Act. This article contests that since 1948, the birth of cooperatives in Lesotho; cooperatives have been nothing but a total failure with regard to attaining sustainable development. This scenario also further resulted in cooperative guidelines revision. Consequently, there was a conception of Cooperative Policy of 1999, followed by the Cooperative Society Act of 2002 and the National Cooperative Act of 2009.

This coverage of the Lesotho co-op policy review specifically includes; justification for review of the 1999 National Cooperative Policy, review of the Cooperative Societies Act, 2002, public policy and ACs sustainable development in Lesotho, Co-op policy evaluation and members' involvement in the evaluation of the cooperative policy of Lesotho. It also encompasses decision-making issues, interaction between the cooperative members and the policy makers, farmers' influence in the policy process, in policy formulation, policy implementation and policy evaluation. The challenges of cooperative policy and the challenges the policy itself brings in the lives of the farmers/ACs' members, attitude towards cooperative policy, the impact of political power in the cooperative policy making process, the impact of cultural practices in the implementation of the cooperative policy and the importance of public participation in the development of ACs policy. Discussion also embraces motivation for the community members and cooperative members to participate in public meetings, management of cooperative activities in public participation, conflict management in co-ops and the process of decision

making in a public meeting and lastly the summary of the paper. Augmentation of this effort is also through some elaboration on how the national policy of Lesotho considers cooperatives.

The government and other prime movers of cooperative development consider cooperatives as instruments for socio-economic development at grassroots level, where the majority of the poorest of the poor or those that are difficult to reach are (The National Cooperative Policy, 2009). The Lesotho National Cooperative Policy (2009, p.9) also defines and stresses the economic importance of cooperatives as follows:

- Cooperatives are a seedbed for development, personal and collective development of the country and can be instruments for alleviating extreme unemployment and income disparity in the country. They also reduce poverty.
- Cooperatives are involved in income generation and employment creation activities, which improve the living standards of people. They further contribute to the development of the country and serve as an instrument for alleviating extreme unemployment and income disparity in the country. They also help to reduce hunger.
- Cooperatives play a crucial role in the mobilization of the creative, productive and financial forces of citizens and participation for development. They help to create a culture of self-reliance.
- Cooperatives reduce influx from rural to urban areas by creating better employment and self-employment opportunities in the rural areas.
- Cooperatives contribute to the achievement of the goals of the national economic policy, such as GDP, full employment and effective participation of the Basotho entrepreneurs in all sectors of the economy. They contribute to the promotion and encouragement of the Basotho business persons/co-operators to own and manage commercial enterprises, monetary stability, balanced foreign trade account and a fair distribution of the national income (The National Cooperative Policy, 2009, p.9).

The goal of the Lesotho National Cooperative Policy is to create an environment that will encourage cooperatives to develop. This goal is pursued through:

- Creating social and economic conditions that are good for cooperatives.
- Making sure that laws and institutions of Lesotho encourage cooperative development.
- Encouraging full participation of all cooperative members in the development of cooperatives at all levels.

JUSTIFICATION FOR REVIEW OF THE 1999 NATIONAL COOPERATIVE POLICY

The 1999 National Cooperative Policy lacks policy guidelines on the development of the cooperative sector. The roles and responsibilities of the government, co-operators and development partners are described in the policy. The policy did not consider issues of cooperative financing, cooperative financial institutions, various levels of member participation, cooperative corporate governance and dishonesty in cooperative undertakings. Furthermore, the policy did not adequately capture the need for cooperatives to be the instruments for cooperating members out of poverty. The cooperative structure in the policy did not take into account the cost effectiveness of the system and benefits to members (The Kingdom of Lesotho, 2009 p.7).

Between 1999 and 2009, the changes that took place in the economic environment have necessitated the need to ensure that cooperatives are more economical and compete effectively to sustain economic growth in Lesotho through people's initiatives (The Kingdom of Lesotho, 2009 p.8). The 1999 National Policy led to the enactment of the Cooperative Society Act of 2000, which aimed at addressing some of the shortcomings for the better operation of the cooperative sector. As a result, the Cooperative Societies Act, 2000 was reviewed to take into account the changes in the economic and operational environment, including issues of governance, financial integrity and cooperative structures. The Act was revised to be in line with a variety of current needs like provision for financial cooperatives such as cooperative banks, savings and credit cooperative societies, insurance services and pension schemes and other governance imperatives in the country.

REVIEW OF THE COOPERATIVE SOCIETIES ACT, 2002

The Cooperative Societies Act No. 6 of 2000 was enacted in 2000. The Act provided for the consolidation of previously existing laws relating to the cooperatives, the Cooperative Societies Proclamation of 1948 and the Cooperative Societies Protection Act of 1966. The consolidation and repeal was a consequence of the implementation of the National Cooperative Policy of the 1999, which proposed the review of legislation in order to address setbacks within the development of the cooperative sector (The Kingdom of Lesotho, 2009 p.5).

Introduction of the Cooperative Societies Act, 2002 has led to the renewal of the cooperative movement and the formation of new cooperatives in sectors, which had not taken up cooperative undertakings. The breadth of cooperative activities has widened from their earlier focus on marketing and exporting of wool and mohair to embrace other sectors of the economy. The following cooperatives exist after the application of the Cooperative Society Act, 2002.

- Savings and Credit Cooperatives
- Agriculture
- Handcrafts
- Consumer Shops
- Multi-purpose
- Mining
- Service Providers
- Industrial
- Cooperative Unions Enactment (Kingdom of Lesotho, 2009 p.4).

After the enactment of the Cooperative Society Act, 2000 the emphasis was highly on members' participation in the decision-making process and participation of all stakeholders in the sector whenever the policy is reviewed. A workshop was held to discuss and review the Cooperative Society Act of 2000. Participants were drawn from all districts representing different types of cooperatives, the Department of Cooperatives, the Ministry of Trade and Industry, Cooperative Marketing, the Central Bank of Lesotho, the Ministry of Agriculture, the Lesotho Cooperative College and the International Fund for Agricultural Development (IFAD). Decisions were not made by all participants but by certain groups of individuals. The

report represents the workshop proposals as agreed upon by the stakeholders. Even today, the Cooperative Societies Act of 2000 is still in operation. Then came the birth of the National Cooperative Policy 2009, whose objective is to create a socio economic, legal and institutional environment, conducive to the development and growth of all types of cooperatives in Lesotho (The Kingdom of Lesotho, 2009 p.5). To make a significant contribution to the economy the policy will:

- Ensure full participation of every member in cooperative development at all levels.
- Enable cooperatives to effectively participate in the social, cultural and economic development of the nation and provide an avenue for attainment of the Millennium Development Goals (MDGs), such as wealth creation, eradication of poverty, improvement of quality of life and information-sharing and dissemination.

The primary objective of the National Cooperative Policy is to create a social economic, legal and institutional environment, conducive to the development and growth of all types of cooperatives in Lesotho. The National Cooperative Policy facilitates development of different kinds and types of cooperatives to make a significant contribution to the economy. It will also enable cooperative members to become active participants in the social, cultural and economic development of the nation. Moreover, the specific objective of the National Cooperative Policy is:

- To increase the number of economic cooperatives such as, agricultural production and marketing, financial services, tourism, manufacturing and transport in Lesotho. The policy intends to widen the scope of cooperatives into the economic sector in order to allow as many people as possible to participate in the economic development of the country.
- To increase the number of members in a cooperative with the aim of increasing cooperative outreach and advantages. To ensure the sustainability of the cooperative movement and its future, students and youth cooperatives will be highly encouraged and promoted to act as future cooperatives and leadership.
- To provide for continued support and enhancement of cooperative training to members and leaders in the cooperative principles and values, entrepreneurship and business management.
- To capacitate and expand cooperative supporting institutions and organs such as the Department of Cooperatives and the Lesotho Cooperative College (LCC) to enable them to improve cooperative promotion, registration, inspection, supervision, management, training, research and marketing.
- To build a strong, economically viable and autonomous cooperative movement, capable of servicing its membership efficiently and effectively.
- To encourage formation and emergence of financial cooperatives, to increase access to financial cooperatives and to increase access to financial services to a greater majority of the people who are currently unable to access formal financial services.
- To put emphasis on adherence to the cooperative values and principles, so as to encourage formation of cooperative that are self supported, less reliant on donor and government financial and material support.
- To uphold honesty and integrity in the management of cooperatives by setting up a code of ethics upon which cooperatives will be run. All members, management and committees shall adhere to the code of ethics.
- To encourage gender equality in cooperative activities.

PUBLIC POLICY AND ACS SUSTAINABLE DEVELOPMENT IN LESOTHO

Anderson (1997 p. 9) defines policy as “a relatively stable, purposive course of action followed by an actor or set of actors in dealing with a problem or matter of concern”. Government policy addresses the challenges and problems of agricultural policy as well as improving urban and rural livelihoods in Lesotho (Daemane, 2011 p.133). In a policy, there are some essential policy stages recognized in the policy formulation process. These are agenda setting, policy formulation, decision-making, policy implementation and policy evaluation (Howlett and Ramesh, 2003 p.11). This definition limits development of policy to government and government officials only, with seemingly no role played by others outside of government. In contrast to Anderson’s (1997 p.10) definition of public policy, other theorists see policy as a complicated process, which involves players other than the government (Osman 2002 p. 38). Its complex nature involves multiple issues and actors in which different stages tend to overlap and seldom follow a linear path (Rivera, Oetzel, de Leon and Starik, 2006 p.5).

There is recognition that the policy process is far from being orderly (Rivera et al. 2006 p.5; Evans and Meade, 2005 p.2 cited in Moja, 2003 p.174-175 and McCool, 1995 p.169). The complex nature of the policy process has led other theorists to identify various stages to policy process for simplification purposes (Anderson, 1975 p. 19 cited in Hill and Hupe, 2002 p. 167-168; McCool, 1995 p.169). “The second stage (after agenda setting) is called policy formulation, as the stage where government formulates policy alternatives to address the identified problems (Howlett and Ramesh, 2003 p.11)”. The third stage, called the decision-making stage, is where government decides on which course of action or non-action it will follow (Howlett and Ramesh, 2003 p.11). The fourth stage of the policy process is called policy implementation. It involves the actual implementation of policies. Lastly, policy evaluation involves the monitoring of policy outcomes. This process requires role-players from government and society at large. Public participation is important in all stages of the policy process to entrench democracy in the policy process (Yengwa, 2004 p.12). Sejane (2002 p.18) adds that involving citizens in all stages of the policy process will enhance the value of public policies. The initial stage of the policy process is policy formulation.

Policy formulation is perceived as one of the key stages of the policy process (Roux, 2006 p.126). According to Roux (2006 p. 126), the significance of this stage is that this is where government makes decisions on what they will do in response to the problem that has been identified (Roux, 2006 p.126). This is a complicated process involving multiple role-players (Osman, 2002 p.38). Stakeholders’ inclusion provides government with experiential and technical knowledge (Phillips and Orsini, 2002 p.19). Moreover, stakeholders’ inclusion results in interaction which provides an opportunity that allows team spirit, good rapport, a trustworthy and a relaxed atmosphere where members and policy makers learn to understand each other as well as create conducive participatory environment (Smith, 2003 p.24). Smith (2003 p.23-24), further argues that the power and authority of community members and cooperative members is the basis of democracy in the formulation, implementation and evaluation of policy. This stage involves designing plans around the action that has been decided upon by government (Roux, 2006 p. 126). It involves setting up goals and objectives of the actions to be taken. Roux (2006 p.136) emphasizes that identifying goals and objectives is important to simplify actions that will be taken in response to the problem identified. The process of setting goals and objectives is followed by prioritization of the objectives. Once objectives and priorities have

been identified, potential policy options to deal with the identified problem are developed (De Coning and Cloete, 2006 p.40). This process involves assessing possible solutions to policy problems (Howlett and Ramesh 2003 p.143) and is a means of assessing different options of programmes and strategies to choose from (De Coning and Cloete 2006 p. 40). The goal is to get the best possible policy option to deal with the problem at hand (Howlett and Ramesh, 2003 p.144). Policy formulation involves many decisions that need to be prioritized. In this regard, Brynard (2006 p.165) points out that while policy formulation and decision-making are not the same, decision-making plays a significant role in policy formulation. Finally, policy formulation starts with a decision and concludes with a final policy decision. The success of the policy process lies on the inclusion of all the involved stakeholders and beneficiaries. Without their involvement, a policy is a complete failure. According to Daemane (2011 p.133), “the government usually fail to implement cooperative policy due to imperfect information in planning or decision making, poor implementation and motivation”. Policy process is thus considered as an inflexible and not an open process to address public needs of the people (Daemane, 2011 p.148). Sometimes, government policies fail because they are normally top down and globally driven. They are always imposed to the community without any attempt of doing any kind of need assessment on whether the policy will succeed or not. It is vital to include all the beneficiaries in the process of policy making because they might be more knowledgeable and their participation may contribute positively in the development of a policy-making. The success of the policy depends in the inclusion of the community members/public participation.

POLICY EVALUATION, ACS' MEMBERS INVOLVEMENT IN THE EVALUATION OF THE COOPERATIVE POLICY AND DECISION-MAKING

Policy evaluation involves monitoring policy outcomes. It is an imperative process, which requires inclusion of all the role players. Participation of the involved stakeholders enhances the chance that the policy will succeed. Policy evaluation reduces errors and fills the gaps left by the previous policy. Interviewees as ACs' members about evaluation of the cooperative policy and their involvement revealed that they were not familiar with the ACs policy and any of its evaluation processes. Beneficiaries and stakeholders are not invited to participate in cooperative policy evaluation, reportedly. These findings indicate that the responsible departments need to teach cooperative members about the policy and involve them in policy evaluation exercises to improve the policy in order to effect co-op members' livelihoods sustainable development. Obviously, cooperative members are mostly not included or represented in the policy evaluation processes by the relevant government ministry of trade, industry, marketing and cooperatives (MTIMC) (Field Interviews, December and January, 2012 – 2013). Howlett and Ramesh (2003 p.11) explain that, cooperative members as the beneficiaries and other stakeholders have to be included from the first to the last stage of the policy evaluation process. There are several reasons for involving members in decision-making during the cooperative policy formulation. Curtin (2003 p.8) adds that members' inclusion in the policy design stage helps policy makers generate alternatives for dealing with the problems. They explain that members' involvement as effective participants empowers them in discussing and formulating policy options. The importance of including farmers as ACs' members is to gain from their experiences, as they also know more about the problems and opportunities in the field than policy makers do. Involving them can thus ensure policy success. They are able to give constructive suggestions during policy formulation and/or any other policy stage. Their inclusion also simplifies all the stages

of the policy process. ACs' members that were included in the policymaking stand a chance to influence other cooperative members to understand and accept the policy (Field Interviews, December and January, 2012 – 2013).

INTERACTION BETWEEN COOPERATIVE MEMBERS AND THE POLICY MAKERS, FARMERS' INFLUENCE ON POLICY PROCESS

Reportedly, policy makers fail to include ACs' members in the policy process. Interaction provides an opportunity for team spirit, good rapport, trust and a relaxed atmosphere where members and policy makers learn to understand each other and forge a conducive participatory environment (Smith, 2003 p.24). Interaction between policy makers and cooperative members is also good because they work together during the process of policymaking as members and other stakeholders and get to learn and understand such a co-op policy. This is inexistent in the case of Lesotho's co-op policy (Field Interviews, December and January, 2012 – 2013).

There is now a strong desire for farmers to be involved broadly in governance and directly in policy decisions. Some of the reasons that need ACs' farmers to be included involve the diversity of citizens' background, cultural heritage, needs, values and interests that change from time to time. Farmers' influence in policy formulation, implementation and evaluation processes is crucial because they are more knowledgeable in the field than policy makers. Farmers may suggest issues that enhance cooperative performance and how to overcome the challenges that the policy makers experience. Inclusion in all the stages makes them develop a sense of ownership and not to sabotage the developmental activities in which they participated in their decision-making processes. Their participation can contribute positively, represent their needs and lead to the acceptance of the policy by all the stakeholders. Direct representatives may present issues and challenges affecting members positively and negatively for improvements and solutions that promote sustainable development. Members' influence could also increase the chances of policy implementation as their representation can motivate them become active participants in the implementation of the policy unlike when they are not represented at all.

CHALLENGES OF COOPERATIVE POLICY IN LESOTHO TOWARDS SUSTAINABLE DEVELOPMENT AND ATTITUDE TOWARDS THE COOPERATIVE POLICY

The Ministry of Trade and Industry, Marketing and Cooperatives/MTIMC (1999), states that some of the challenges facing Lesotho cooperatives, among others, include the fact that people setting cooperatives set them up as a way of accessing (financial/funding) assistance from the government and/or from donors but not for self-help or self-reliance. Respondents have affirmed some of the co-ops' policy challenges as the lack of regular or reliable market for their products. They feel that the government needs to address this problem if co-op policy is to attain sustainable development in Lesotho. Other respondents feel that the government needs to reduce dependence of the cooperatives on it. Furthermore, transparency in policymaking and inclusion of all stakeholders need to be a priority to achieve sustainable development (Field Interviews, December and January, 2012 – 2013).

Some 30 out of 50 ACs members have reported that the presence of the Lesotho cooperative policy has not brought any challenges to the lives of the farmers because they are not even aware that it exists. Reportedly, policy makers and Cooperative officials have failed to educate the farmers about what is entailed in the policy. The government imposed

cooperative policy without including them as the ACs' members. They also feel and state that cooperatives policy has not brought any changes because they are, once more, not even aware that a cooperative policy exists (Field Interviews, December and January, 2012 – 2013).

The majority of the respondents (96 percent) did not express any attitude towards the cooperative policy because they have never heard of it. Farmers are not against the policy at all. Few of them (6 percent) find it to be un-important because it has not brought any change to their lives, especially because farmers do not know anything about it. Cooperative policy is a good idea that encourages an effective and efficient operation of cooperatives (Daemane, 2011 p.133). The only problem that they have about the cooperative policy was that they were not included during its formulation, implementation and evaluation. Some farmers regard it as a government paper that has nothing to do with them (Field Interviews, December and January, 2012 – 2013).

IMPACT OF POLITICAL POWER IN THE COOPERATIVE POLICY MAKING PROCESS AND CULTURAL PRACTICES IN THE IMPLEMENTATION OF THE COOPERATIVE POLICY

Respondents expressed their concerns about the emergence of corrupt practices among cooperative leaders who pursue their own political and economic ambitions as managers of the cooperatives. As a result, many cooperative societies experienced a decline in their performance. They indicated that political influence in the governance of cooperatives is very strong because the political authorities determine the issues or the agenda. They also control the capital, human and financial resources directed to the cooperatives to serve their own agendas according to their political affiliations. These political powers have diminished interest of the society in cooperatives as well as the performance of members (see Kabuga and Kitandwe 1995 p.84 and Kyazze 2010 p.18).

Respondents have also reported that Basotho as a society have had the culture of cooperatives especially where much manual work is involved in tasks like building a hut and/or thatching, ploughing a big field, harvesting, cereal plants thrashing and winnowing and other labour intensive tasks. These tasks, mostly, had direct benefits to individual members of the joint community members to perform such a needed labour intensive task. The cultural norm and communal expectation morally required exchange and sharing of, mostly, labour, draught power and some tools or working implements. These were most often only short-lived heavy tasks for occasional or seasonal productive activities by and for the individual benefitting household. Nonetheless, local authorities (chiefs) at times as per community need do summon community labour and resources for public activities like soil (land reclamation), pastures and water conservation and any other public developmental need or problem. They agreed that ACs with their policy do not change the way in which they used to do things as Basotho who always believed in unity and collective actions. *Only that, such productive tasks did not involve cash susceptible to individual member squandering/embezzlement, mismanagement and theft by committee members for personal gain and power abuse.* Sharing financial resources equitably, managing and maintaining proper financial accounting standards and procedures in a cooperative is reported as one other still serious cultural challenge or difficulty among others stifling the flourishing of co-ops to bring about sustainable development. However, the relationship of the ACs members is still shaped by the culture that joined them together, the culture of sharing labour, draught power and some main productive

implements like ploughs' use. Culture to the community that shares common interest is very important. They believe in collective action theory where they work in collaboration with each other as a group. Only that, the policy is not effective enough in preventing individual embezzlement of donated funds to their co-ops by committee members. It is probably high time that all ACs are policy-bound by the principle and practice of yearly auditing exercises under the auspices of the MTIMC or otherwise, as suggested, financial management need not be directly in the hands of co-ops members. This may be contrary to empowerment and local accountability norms but it is felt that it could prevent and control financial mismanagement by dominant self-looking committee members and their collaborators (Field Interviews, December and January, 2012 – 2013).

IMPORTANCE OF PUBLIC PARTICIPATION IN THE DEVELOPMENT OF ACS POLICY AND MOTIVATING FACTORS

“Public participation is as an open, accountable process through which individuals and groups within selected communities exchange their views and influence decision making (Phago and Hanyane, 2007 p.94)”. The World Bank (cited in Buccus, 2007 p.6) defines public participation as a process in which all the stakeholders influence and share control over development initiatives, decisions and resources that affect them. The significance of the definition by the World Bank is that it highlights the notion of power concerning participation in developmental processes. This definition suggests that communities should not only have influence over decisions but should also have control over the developmental activities.

Governments use public participation as a strategy that involves community members to participate in the developmental activities such as policymaking (Phillips et al., 2002 p.19). Cooperatives are a mechanism used to mobilize self-efforts in order to implement the plans of the development process (Mahamed, 2004 p.3). According to Phillips et al. (2002 p.19), the underlying reasons for involving the community at the policymaking stage is that they have practical cooperative knowledge acquired from the field while policy makers have theoretical knowledge. The combination of both theoretical and practical knowledge of the community and policy makers assist in developing concrete policy and in generating alternatives for dealing with the cooperative problems. Respondents indicated that inclusion of community members in public participation could empower them and enhance their self-confidence. Once people are empowered, their self-esteem and self-confidence improve. They become active participants. This cultivates sense of ownership and joint decision-making (Field Interviews, December and January, 2012 – 2013).

Community members are motivated when they are given a chance to raise their views and when they are included in decision-making process. This idea is affirmed by the fact that access to power and decision-making makes communities influence and share control over their development. Other respondents mentioned that community members are motivated when their participation is taken into consideration and treated with respect. Thus, respondents indicated that inclusion and participation contribute to motivation enhancing participation of members. Direct-shared benefits, interests and rewards at an individual membership level and as a community also motivate and sustain participation of members and community members. These elements are essential if co-ops are to effect sustainable development and need to be embraced by the co-op policy of Lesotho (Field Interviews, December and January, 2012 – 2013).

MANAGEMENT OF ACS' ACTIVITIES IN PUBLIC PARTICIPATION, PROCESS OF DECISION MAKING IN A PUBLIC MEETING AND INTERNAL CONFLICT MANAGEMENT ABILITY FOR SUSTAINABILITY

“Management is the driving force in cooperative activities that handles interests and needs of the members, which may often be short and long term interests (sustainability and reducing risks) of the cooperative enterprise (Veerakumaran, 2006 p.114)”. The only difference is that a cooperative is a private business organisation, which is jointly owned and controlled by its members (IRG, 2005). Cooperatives use different management style in comparison with other organizations. They have management committees, which need to approve the activities to be carried out. A management committee is not paid for its services and the time that it devotes to meetings is limited. These committees are expected to always make decisions with all members’ knowledge and participation. This constitutes management of cooperative activities in public participation though members reported that not all decisions are made with their involvement (Field Interviews, December and January, 2012 – 2013).

Public participation brings together the involved stakeholders, including the powerless, the voiceless, vulnerable and the poor in decision-making processes that have an impact on their lives (Daemane, 2012 p.63). Public participation processes include information exchange, public consultation and engagement, shared decisions and shared jurisdiction. These processes form a continuum based on the extent of involvement and role in decision making from information exchange (least) to shared jurisdiction (most) (Smith, 2003 p.36). However, members reported that committee members in public meetings often times reach decisions through their dominant participation. This limits transparency in public meetings. Consensus and majority vote need to be a regular dominant fashion of reaching decisions in the ACs, not committees’ or individual dominant participation as this is blamed for generating conflicts in the ACs (Field Interviews, December and January, 2012 – 2013).

Some of the problems of ACs’ management stem from conflicts between management and board members. These conflicts have rendered some cooperative management entities ineffective and ruined the union of administration. Smith (2003 p.36) emphasizes the importance and responsibility to resolve conflicts in ACs in a manner that reflects respect for the community values. The ability to solve internal conflicts in the ACs can improve and sustain them in achieving sustainable development. Consensus and majority vote need to be valued highly and practised regularly to acquire such. Generally, interviews have confirmed that cooperatives are able to resolve internal conflicts, although there may still be problems here and there. Reportedly, the main threat to ACs’ sustainability is improper financial management and ineffective policy in promoting such standard financial management practices (Field Interviews, December and January, 2012 – 2013).

THE SUMMARY AND CONCLUSION

Cooperatives in Lesotho have served as a strategy limitedly improving economic growth of the ACs’ members as well as that of the country. Most of the cooperatives have been reported unimpressive as a majority of them have collapsed. This is due to the fact that there is no effective participatory cooperative policy to induce sustainable development through proper financial controls and proper accounting standards. Instead, cooperatives are still governed by the Legislation Proclamation of 1947. When the government developed interest in cooperatives, its intention was to create a climate that would encourage effective

participation of the cooperative members but without clear mechanisms, structures, procedures and set guiding principles and standards for ACs' membership and other stakeholders. As a result, the government developed the National Cooperative Policy in 1999 to address problems of the cooperatives. The National Cooperative Policy, 1999, shows the importance of cooperatives, cooperative structure as well as the problems encountered by the ACs members in Lesotho. It further indicates the goals of the policy and the role of all the relevant institutions. Nonetheless, later on, it was realized that the policy lacked policy guidelines on the development of the cooperative sector and the structure did not consider the cost effectiveness of the system and its benefits to members, which is reported to be the case still (Field Interviews, December and January, 2012 – 2013). ACs' members report that there is no clear evidence that even today there is a co-op policy that adequately and effectively considers issues of cooperative financing, cooperative financial institutions, various levels of member participation, cooperative corporate governance and dishonesty in cooperative undertakings to effect sustainable development. Furthermore, the policy still does not adequately capture the need for cooperatives to be the instruments for cooperating members out of poverty.

The National Cooperative Policy, 1999, led to the enactment of the Cooperative Society Act of 2000 aiming at addressing the gaps and improve the cooperative sector. Most importantly, the Cooperative Society Act, 2000, considered the economic and operational environment that includes governance, financial structure and cooperative structure. Due to the Cooperative Society Act, 2000, different types of cooperatives were born, paving the way for the subsequent birth of the National Cooperative Policy, 2009. The latter stresses the importance of cooperatives, considered as instruments for socio-economic development at grassroots level, where the majority of the poorest of the poor or those that are difficult to reach are found. Its objective is to create a socio-economic, legal and institutional environment, conducive to the development and growth of all types of cooperatives in Lesotho.

This study has revealed that policy process requires inclusion of all role-players from the government and the society for effectiveness in attaining sustainable development. Public participation is important in all stages of the policy process to entrench democracy in the policy process. The study, however, reveals that the society was not included in any form of public participation during the discussed stages of policymaking. Cooperative members claimed to be illiterate in all issues concerning the cooperative policy (Field Interviews, December and January, 2012 – 2013).

Public participation is a key strategy that involves participation of the ACs' members, community members and other stakeholders in the process of policy-making. Cooperatives are to be regarded as a tool for public participation. Most of the respondents indicated that inclusion of community members in public participation empowered them in participating in community development activities. Community members are motivated to participate in public activities when they have access to power and decision-making. In addition, the majority of the respondents indicated that members are motivated when they are given an opportunity to present their views and are included in decision-making. They further indicated that the community is motivated when its participation is considered and people are treated with respect and dignity. This can only happen when the right participatory strategy is used to manage public participation (Field Interviews, December and January, 2012 – 2013).

Managing cooperative activities through public participation requires a management style that motivates community members to participate. The study concludes that, decisions in the ACs are sometimes made with all members' knowledge and participation but except in the policymaking stages and processes by the MTIMC/government. Thus, the management style presently adopted in managing cooperative activities is predominantly not adequately transparent. Committees do not usually involve all the community members in the decisions making. Public participation is comprised of the big group of community members. However, in public participation, conflicts are not so easy to handle because there is a large group of people with different social status, skills, knowledge, attitude, religion and political affiliations. Since conflicts are not so easy to resolve through public participation, local authorities need to be involved to sustain public participation, which can preserve, sustain, promote and protect co-ops as property and initiatives for sustainable development in the communities. The other finding is that, it is nonetheless, easy to solve internal conflicts as cooperative management committees and their members fairly and easily solve such internal conflicts. This explains that cooperatives have the potential to manage their members even in big co-op groups if they have acquired skills in conflict management (Field Interviews, December and January, 2012 – 2013).

Public participation brings stakeholders with different educational background together. Decision-making involves information exchange and inclusion of members in decision-making. However, the study concludes that office bearers make decisions and the general members are hardly ever involved. This leads to the conclusion that community members' participation is less considered. Consequently, decisions made are not likely to be implemented successfully, especially when communication is only one-way, top-down.

Cooperation between ACs members and community members is reportedly reasonable. Community members support the cooperatives by buying the products although they sometimes steal from the cooperatives. Most of the cooperatives stated theft of the co-op's property by community members as the major problem that hinders their sustainable development. Community members support cooperatives because they benefit from their services like agricultural inputs selling and information provision but cooperative members reported not to be able to sustain their livelihoods because they do not benefit anything significant from their cooperatives (Field Interviews, December and January, 2012 – 2013).

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