

# Lesotho

**“Without him, we would surely struggle to make ends meet”**

Most villages in Lesotho have one or two small shops known as spazas. These spazas sell common household items, including groceries, which the owners tend to purchase in the towns and bring back to the villages to sell. Spazas are often attached to the owner’s house and are run by the owner. Occasionally they hire someone to look after the shop. Spazas perform an important function in many villages. They are not generally as lucrative as shebeens (bars or taverns) but are a useful source of supplementary income and savings, especially for enterprising women. Many of these women are the spouses of miners and have used remittances from their spouses as start-up capital.

One such woman is 48 year old Tumelo. Her spouse has worked for many years on the mines and although she does not know how much he earns, she receives around R17,000 per annum in remittances (which is more than many migrant women from Lesotho earn in a whole year). Remittances are spent on food, transport, fuel, her mother-in-law’s monthly hospital visits and paying school fees for her brother-in-law’s three children who live in a different household. Remittances are also used to cover the household’s farming activities, including purchase of seed and fertilizer and paying for casual labour to help with ploughing, planting and harvesting. The household grows food primarily for its own consumption. Without her husband’s remittances, she says, “these activities (food, education, housing, farming and health) would not be possible. We would surely struggle to make ends meet.”

Unlike so many others who simply rely on the monthly remittance payment to purchase household necessities, Tumelo has tried to use the funds to generate further income. She and her husband agreed that they should start a business using remittance money. She chose to open a shop because “it is the only kind of business I can operate myself” although she sometimes hires someone to help out.

“I am responsible for manning the shop, being a shop clerk. I draw lists of stocks that need replenishing and go to Maseru (the capital city) myself to buy the stocks. I also do the pricing of items and the cleaning of the premises. The business is now successful as it is self-sustaining and no longer depends on outside sources of money. The worst problem I experienced was that I gave things to fellow villagers on credit and they delayed paying me, while some even failed paying at all. My business collapsed and my husband came to the rescue and provided remittance money. Now I no longer give credit.”

She and her husband also purchased several minibus taxis with his remittance money. However, this business was not very successful with her husband away and now they are left with only one taxi, which they pay someone to operate.

Tumelo makes around R24,000 profit per annum from her shop, but the competition is closing in and it is non-Basotho. She is particularly angry about the arrival of foreign business owners, especially the Chinese, who she says are renting shops even at the village level and undercutting her prices. As a result, she says, “no-one goes to Basotho-owned shops” any longer.



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**Lesotho is one of the most migration-dependent countries in the world. Of a population of 2 million people, over 240,000 are estimated to be abroad. South Africa, which completely surrounds the Kingdom of Lesotho, is the primary migration destination. Traditionally, Basotho migrants have been male miners. However, mine retrenchments, combined with the collapse of apartheid, wider sociodemographic changes due to HIV/AIDS, and an increase in female heads of household, have led to increased female migration for domestic work. Migrants’ remittances are the country’s major source of foreign exchange, accounting for 25% of GDP in 2006.**

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