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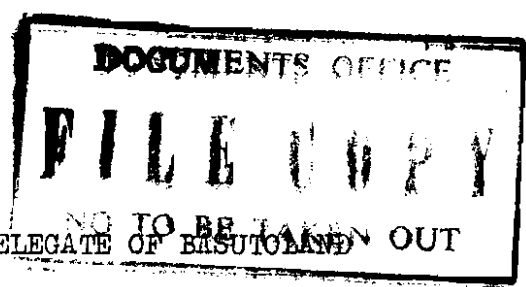
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STATEMENT MADE BY THE DELEGATE OF BASUTOLAND

Mr. Chairman and distinguished delegates,

My delegation has asked for this opportunity not to make a full-scale policy statement but merely to draw your attention to certain salient points about past policies which are inevitably bound to affect not only the future policies of the new Basotho Administration but also the potential contribution Lesotho can make towards the ECA goal of economic integration. I cannot speak about future policies because I have no idea what they are going to be. But before doing so, I wish to pass some votes of gratitude and congratulations! I should like to express my delegation's gratitude to the venerable President, the Governor and the people of the Republic of Kenya for the warm and cordial welcome accorded us and the magnificent facilities they have provided to make this session a success. I should like also to congratulate you, Mr. Chairman, and your two Vice-Chairmen, on your election to the high offices of the session. Last but not least, my delegation wishes to express its gratitude to the outgoing Chairman of the Sixth session for his brilliant and valuable Report on the activities of ECA during the tenure of his office. I shall of course say something later on about the Executive Secretary and his staff.

Now Mr. Chairman, may I raise some general points I referred to at the beginning of my speech.

First of all, Mr. Chairman, my delegation has no worthwhile facts or figures of achievement or progress to report in the economic field because the economy has been stagnant for all time. Yet despite the awareness of this depressing fact by the powers that be, there is still no attempt at drawing up some objectives and targets for the future, let alone defining the priority areas and the future lines of policy for dealing with them. This parlous state of affairs is largely due to the unenterprising and backward-looking policies followed in the past. With a few exceptions, the independent states of Africa represented here have all gone through the colonial phase or stage of development and are therefore well conversant with the budgetary savings oriented or expenditure-shy policies followed by colonial administrations. The policy pursued in the case of Basutoland since 1868 when the founder of the Basotho nation, Chief Moshedi, asked for British protection, can quite justifiably be described as that of maintaining law and order only, or put in economic terms, that of "maintenance and repair". As some statistical evidence shows, the so-called Colonial Development and Welfare Funds have in my country been directed mainly towards the social services sector (health, education, etc.). The long-range policy, now abandoned, was the preparation of the country for eventual incorporation into or integration with, the then Union of South Africa.

The new leaders of Basotho will therefore be faced with the formidable but by no means insoluble problem of economic development of the country in all its aspects. It would appear to me that it will evidently be a matter of starting right from the scratch. There are three areas, however, which in my opinion, the new leaders should give top and immediate priority, namely, water resources, livestock products and agriculture. Within the territory rise the headwaters of the Orange River and its tributaries, the largest and most important river in Southern Africa. These abundant water resources could be used for producing electricity not only for internal purposes but also for export, and also for increasing the productivity of land through

brigation. Basutoland is also reputed for its wool and mohair as well as hides and skins, and there is still tremendous room for improvement in this field, too. I do not, of course, have to over-emphasize the important role played by agriculture in the economic or industrial development process. Basutoland has up to now been insulated from the hard, cold facts of economic life but must now face them under new leadership. As a recent report on Importation and Exportation of Livestock and Agricultural produce shows, the consensus of opinion seems to be that there must be more Government initiative in economic affairs and that the choice is no longer between the classical laissez-faire doctrine and planning but between planning and no development at all. The whole question will, as I have already said, be determined by the political decisions of the new Government in due course.

I would like to refer to ~~another point~~, the question of what contribution Basutoland can make to what most of the delegates regard as the chief objective of the ECA, namely, economic integration of Africa. It is not as yet clear what contribution Basutoland can make at least in the short run in this respect for the following reasons:

- (i) as you all know, Basutoland is an enclave in the Republic of South Africa and this in itself constitutes a sad limiting factor on the free movement of persons, goods and ideas, to and from the rest of the African continent;
- (ii) Basutoland is economically dependent on the Republic's extractive and secondary industries to provide employment, and at present derives 26 per cent of her public revenue from customs and excise duties collected by South African authorities and shared on the basis of a customs agreement. Moreover, Basutoland has already entered into a currency union with South Africa.

A realistic approach to these thorny problems would, as the Constitutional Commission rightly recognized, be to establish friendly

working relationships with the Republic of South Africa. I hope the honourable delegate from Kenya will realize that circumstances alter cases and that, as the Representative of ICFTU has already pointed out, in certain circumstances the policy of complete boycott of South African goods should be applied with caution. I should not be misinterpreted here: I am not saying that it is impossible for Basutoland to participate in the grand task of economic integration but I am merely underlining some hurdles that must first be cleared, and with ECA's helping hand and co-operation I am confident that these obstacles can be removed in the long run.

Mr Chairman, Basutoland has been, and still is, watching and following with keen interest the various activities of ECA. We are particularly impressed by the Executive Secretary's statement that it is high time a shift were made from fact-gathering and institution-building activities to the more practical and operational activities. I wish at this juncture to express my delegation's appreciation of the praiseworthy achievements recently accomplished by the Secretariat, in particular the establishment of three institutions, the African Development Bank and the Institute for Economic Development and Planning, and sub-regional offices.

I cannot conclude my speech without expressing my delegation's gratitude to the various Specialized Agencies of the United Nations and certain sovereign governments for the practical interest they have shown in the economic affairs of Basutoland in recent years.

In conclusion, I am very happy to let you know that this is most probably the last time Basutoland speaks here as an Associate Member of ECA; elections are scheduled to take place next April, with full independence following a year later. My delegation is thus only too happy to congratulate the new sovereign States of Malawi and Zambia on their attainment of full membership of ECA.

Thank you very much, Mr Chairman.