

**THE SOCIO-ECONOMIC IMPACT OF MINING ON THE
LIVELIHOODS OF LIQHOBONG VILLAGE MINING
COMMUNITIES**

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Field study submitted to the UFS Business School in the Faculty of Economic and Management Sciences in partial fulfilment of the requirements for the degree of Master in Business Administration at the University of the Free State.

DECLARATION

I declare that the field study hereby handed in for the qualification Master's in Business Administration at the UFS Business School at the University of the Free State is my own independent work and that I have not previously submitted the same work, either as a whole or in part, for a qualification at/in another university/faculty.

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CHAPTER ONE

BACKGROUND AND PURPOSE OF THE STUDY

1.1 Background

Lesotho is a mountainous country found in southern Africa and surrounded by South Africa. The economy of Lesotho relies heavily on the textile sector, remittances from its citizens who live and work in South Africa, agriculture, and income from the Southern African Customs Union to survive (Central Bank of Lesotho 2021:3). According to the Lesotho Central Bank (2021:12), the nation also exports water, clothes, wool and mohair, as well as diamonds. The majority of this population's economic activities include subsistence farming and animal herding as nearly three-quarters of the country's people reside in rural areas (Lesotho Bureau of Statistics 2018a:59).

Agriculture has been the main driver of economic growth in Lesotho for many years. However, the contribution of agriculture to the economy has decreased as a result of periodic droughts and land degradation brought on by subpar farming methods (Makhetha 2017:22). Furthermore, Makhetha (2017) notes that the drop was exacerbated by labour migration to South African mines, which increased the ability of more families to support themselves and reduced their reliance on agriculture. The discovery of diamonds in the country resulted in a change in commercial interest.

The United National Development Programme (UNDP) (2014:2) claims that the Government of the Kingdom of Lesotho recognises the expanding economic significance of the mining industry, which is affected by diamond mining. In the upcoming fiscal years, the industry is predicted to contribute a rising trend of 5% to the Gross Domestic Product (GDP). According to the UNDP (2014), the government has identified diamond mining and important water projects as the key "accelerators of growth" for the 2012/2013-2016/2017 implementation period of the National Strategic Development Plan.

The Lesotho Chamber of Mines (2018:20) emphasised the importance of the diamond mining business in Lesotho by stating that the sector produces an estimated

3 000 direct jobs and roughly 5 000 indirect jobs, which is consistent with the UNDP Report from 2014. The Chamber of Mines (2018) claims that despite its modest employment contribution owing to the high degree of mechanisation of the industry, mining has a major economic impact on the nation. In addition to the findings of the UNDP and the Chamber of Mines, the Lesotho Bureau of Statistics reported that the mining sector contributed 6,5% to the GDP during the 2018/2019 fiscal year, ranking it as the fifth largest contributor (Lesotho Bureau of Statistics 2019:88).

In particular, developing nations such as Lesotho have turned into investment destinations for diamond mining owing to the anticipated development in demand for mineral resources as nations adopted a favourable policy toward the mining sector. Foreign direct investment was attracted owing to an improvement of the policy environment. The socio-economic and ecological conditions have changed as a result of the increase in foreign direct investment mainly in rural areas. The extractive sector produces unfavourable externalities that result in permanent changes to the local natural conditions, harming the local economy and jeopardising the viability of local livelihood systems (Maliganya & Paul 2013:1).

The Mothae development project of Lucara Diamond Corporation, the Letšeng Diamond Mine, the Kao Diamond Mine, and the Liqhobong Mining Development Company (LMDC) is located in Lesotho (Central Bank of Lesotho 2021:6). Firestone owns 75% of the LMDC. In comparison, the Government of the Kingdom of Lesotho owns the remaining 25% (Firestone Diamonds 2021:1). According to Firestone Diamonds (2021:3), LMDC operations began in July 2014, with LMDC production starting in October 2016.

According to the Lesotho Bureau of Statistics (2018b:40), Liqhobong is located in the Butha-Buthe district. The Butha-Buthe district, one of the 10 districts in Lesotho, has one of the four smallest populations (118 242) and the smallest land area (1 767 km²). The estimated population of Liqhobong is 5 524 (Lesotho Bureau of Statistics 2016b:98). The Lesotho Bureau of Statistics (2016) also stated that the five subvillages comprised 1 255 households, with 783 people living in 141 houses in the

Liqhobong subvillage. However, there has been no update since the most recent official data, which were collected in 2016.

The Liqhobong mine is situated at the mouth of the Liqhobong valley in the northern Lesotho district of Butha-Buthe, according to the Lesotho Ministry of Mining (2015:12). There are five community councils in Butha-Buthe, including the Nqoe Community Council, which is home to the Liqhobong Village and the mine. The position of the Butha-Buthe area and the Liqhobong mine in relation to the rest of Lesotho are shown on the map below (Ministry of Mining 2015:25).

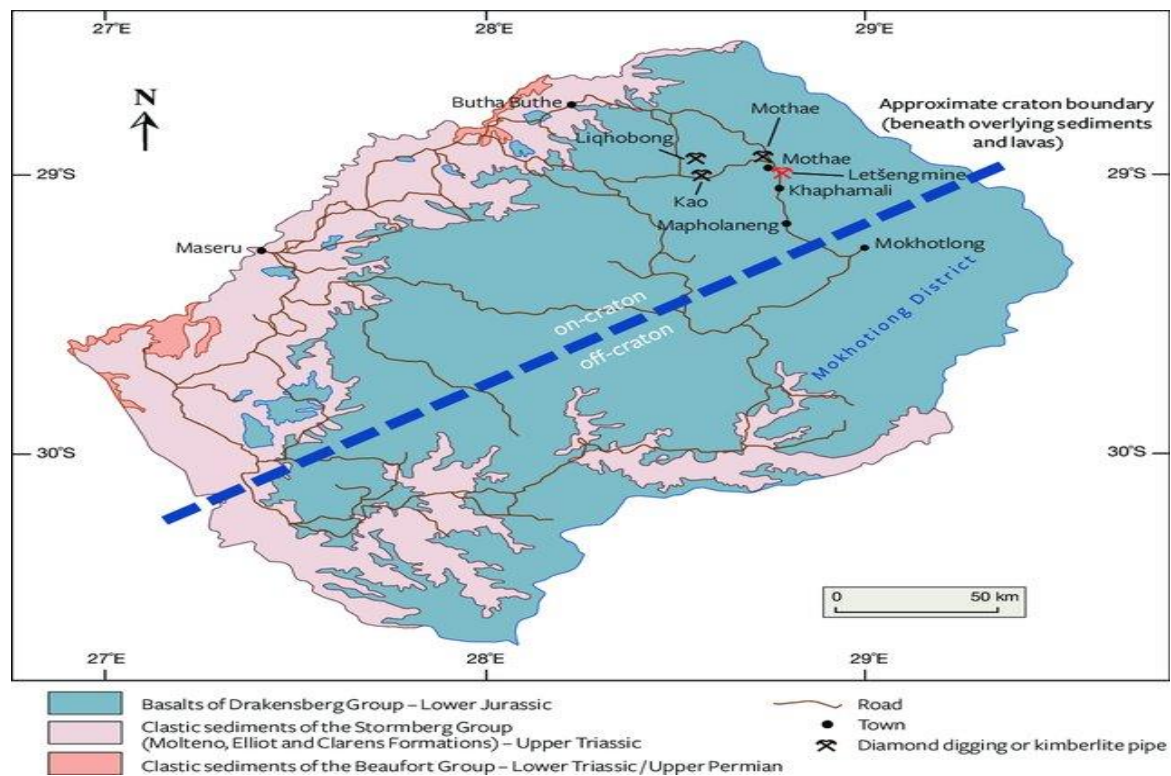


Figure 1.1: Map of Lesotho showing the location of the Liqhobong mine and three other principal mines (Ministry of Mining 2015:36)

Liqhobong and Kao mines in the Butha-Buthe district contribute to about 1 200 of the projected 3 000 workers employed in the diamond mining business (Lesotho Chamber of Mines 2018:28). This figure highlights the fact that Butha-Buthe is a place with a lot of mining activity. According to the Ministry of Mining (2015:23), there are a total of

five mining rights assigned in Butha-Buthe, with two of them being operating, one being in the exploration stage, and the other two being pending. With the introduction of De Beers in 1959 and methodical prospecting by J. Scott in 1955, the mining industry has been around for more than 65 years (Ministry of Mining 2015:5).

The Government of Lesotho established the Mining Khotla or forum in cooperation with the Lesotho Chamber of Commerce to provide a forum for business, labour, and government to strategise how the mining industry, labour, and business should collaborate to seize opportunities presented by each stakeholder. The Minister of Finance stated in the 2018/2019 budget address that the mining industry has a great deal of potential to play a leading or important role in helping the government eradicate poverty and generate jobs for sustainable living (Ministry of Finance 2018:18).

However, the contribution and performance of the mining sector were significantly affected by Covid-19. The Central Bank of Lesotho (2021:8) reported that due to government-imposed travel restrictions to curb the spread of Covid-19 and unfavourable conditions in the diamond markets, the mining companies were placed on care and maintenance. As a result, the mining sector contracted by 24,6% during the third quarter of 2020.

Notwithstanding the negative performance of the mining industry in the 2020 fiscal year, the Central Bank of Lesotho projects a 19,5% and 9,9% growth in the 2021 and 2022 fiscal years, respectively (Central Bank of Lesotho 2021:9). The bank attributes the recovery to return to full production capacity by most mining companies after an extended period of care and maintenance since April 2020 due to the Covid-19 pandemic. Contrary to the positive projections by the Central Bank of Lesotho, the UNDP (2020:25) reported that the GDP growth projection of Lesotho was revised from 1,4% to a negative 5,1% in 2020/2021. The revision is mainly attributed to the Covid-19 pandemic country restrictions that curtailed operations and response measures by companies that saw the growth of the 2018/2019 diamond and textiles sectors of approximately 3% bound to decline in 2020/2021.

1.2 Problem statement

The impact of diamond mining includes environmental consequences such as the pollution of water resources (Andrews 2016:15) and disturbance of livelihoods and traditional lifestyles (Yakovleva 2016:21). Based on these and other impacts, there are concerns regarding the value of the contributions of mining operations to local communities. Corrigan (2018:36) argues that mining companies use Corporate Social Responsibility (CSR) practice to manage the impacts of operations and contribute to socio-economic development.

While Covid-19 first hit China late in 2019, African countries, including Lesotho, started to feel the brunt of Covid-19 in the first half of 2020 (UNDP 2020:29). The UNDP (2020) further stated that Lesotho reported the first four confirmed Covid-19 cases on 15 June 2020. The number had increased to 91 by 5 July 2020. Furthermore, the International Monetary Fund (2021:23) observed that the impact of Covid-19 on the global markets has been overwhelming. This impact has consequently disrupted global supply chains, leading to the closure of businesses and the resultant loss of employment by workers, thereby directly impacting communities' well-being. Subsequently, Firestone Diamonds (2020:5) noted that globally, countries undertook measures that included total lockdowns, which curtailed travels to Belgium where LMDC sells its products. Firestone Diamonds (2020) argued that diamond producers could not sell their diamonds due to the countries' travel bans, with the Liqhobong mine consequently also being affected. The countries took these measures to combat the spread of the virus.

Therefore, the effects of Covid-19 and unfavourable market conditions had severe implications on the ability of the mine to sustain its operations. Accordingly, the board of directors and management of the mine decided to place it under extended care and maintenance, which means a loss of employment for employees, including the residents of Liqhobong (Firestone Diamonds, 2020).

Through its CSR department, the Liqhobong mine implemented initiatives to improve the socio-economic well-being and livelihoods of the communities of Liqhobong while it was still in full operation. However, with the glaring effect of Covid-19, which led to

the mine closing for an unspecified period while awaiting the market to recover, this research is aimed at uncovering whether the initiatives of the mine were significant, tangible and of a sustainable nature, and whether it contributed to the socio-economic well-being and livelihoods of the Liqhobong communities.

1.3 Objectives of the study

1.3.1 Primary objective

The primary objective of this study is to analyse the socio-economic impact of mining on the livelihoods of Liqhobong Village mining communities.

1.3.2 Secondary objectives

The secondary objectives of this study are as follows:

- To identify socio-economic activities that are significantly influenced by mining operations;
- To evaluate whether the mining communities are benefiting socio-economically from the current mining operations; and
- To explore the extent to which the LMDC is committed to the sustainability of socio-economic development projects in Liqhobong communities.

1.4 Structure of the study

Through a literature review, an understanding of the socio-economic impact will be presented in the second chapter of this study. Furthermore, the Lesotho mining sector and its role in the mining communities' socio-economic development programme are described. Finally, the literature on CSR Theory are reviewed to understand what role, if any, is expected from a mining company towards a mining communities' development.

The third chapter is focused on the research methodology that will be applied in this research project, namely a qualitative research methodology. The experiences and attitudes of mining companies and communities regarding socio-economic impacts are explored in this part of the study.

In the fourth chapter, the findings of the research project are described in detail, with a focus on the essential aspects of the influence of the Liqhobong mine on the mining communities' livelihoods.

In the final chapter, the conclusion of the research findings is offered, along with the limitations and strengths of the community development projects in the Liqhobong mine. There are recommendations for addressing the shortcomings discovered. Concerning the socio-economic growth of the communities, the anticipated role of the mining firm and the hopes of the mining communities are examined. The study concludes with a proposal for a sustainable solution that would contribute to the improvement of the mining communities' standard of living.

1.5 Conclusion

This study investigates and analyses the socio-economic impact of mining on the livelihoods of mining communities in Liqhobong Village. In addition, an effort is made to determine whether the Liqhobong mining communities believe the mining industry has shown any propensity to sustainably support their lives.

In the section that follows, the socio-economic impact within the context of the research area is examined by focusing first on the mining industry in Lesotho and then on Butha-Buthe and the study area. Among the projected 3 000 individuals.

CHAPTER TWO
LITERATURE REVIEW**2.1 Introduction**

In this chapter, the literature on socio-economic impact with a focus on the mining sector is presented. The contextual meaning of socio-economic impact and trends are discussed. The concepts identified in this subject, such as CSR and job creation, are discussed. Furthermore, a brief discussion follows on how communities in the mining area react to changes brought about by large operations such as mining activities.

2.2 Mining operation

Lesotho's diamond mining industry is scarcely covered in academic literature. A comprehensive investigation of the nation's mining industry reveals the same results. According to Ericsson and Löf (2019: 226), mining considerably contributes to national economic development in a number of low- and middle-income nations that are rich in non-fuel mineral resources. Between 1996 and 2016, ten of the 20 nations with the biggest mining contributions moved up one or two positions in the World Bank's country classification (Ericsson & Löf 2019: 226). In contrast, Thomas and Darimani (2014:43) note that despite the fact that mining is viewed as one of the economic engines for many developing nations, it is also viewed as a contentious economic sector in various parts of the world. Thomas and Darimani (2014:45) argue that the debate surrounding the degree to which resource-rich states and their communities benefit or do not benefit from their mining activities is intense in the majority of instances.

The argument is that mining activities are repeatedly accused of causing significant ecological damage in communities where large mining operations are situated (Thomas & Darimani 2014:34). In addition, they assert that mining operations are at the top of the list of public debates and apprehensions regarding the negative effects of natural resource discoveries, with a primary focus on the macroeconomy and the negative effects of natural resources on governance. Kitula (2014:1) argues, in agreement with Thomas and Darimani, that mining operations are inherently destructive to the environment, regardless of their size. In addition, he argues that this

results in the displacement of communities from their traditional lands, which contributes to or exacerbates the oppression of the lower economic classes in the society where the mines are located.

In contrast, Kitula (2014:2) argues that in other parts of Africa, particularly Tanzania, where modern mining techniques are employed, mining operations could optimise economic contributions and improve the socio-economic conditions of the local communities, despite the widely held belief that mining operations contribute to environmental pollution. In Ghana, Thomas and Darimani (2014:43) contend that modern mining, particularly surface mining, is capital-intensive, has low labour requirements, and contributes little to employment.

Lesotho has a long history of diamond mining that has the potential to continue into the foreseeable future. Despite the decline in production levels over the past decade, the industry remains a vital contributor to the economy. Nonetheless, the legitimacy of the industry has come under increasing economic and sustainable pressure over the past five years due to its perceived role in promoting sustainable socio-economic development in areas where mining activities occur. In general, the industry recognises its contribution to society. However, according to Mathibe (2011:21), the industry prioritises short-term risk reduction objectives. This short-term planning implies that aspects of community concerns are unaddressed and that there are still substantial disparities between actual conditions and planned development actions. This study examines the socio-economic conditions of mining communities in the Liqhobong Village in Butha-Buthe, despite the existence of a variety of obstacles that have been documented to explain why the gap exists.

In this chapter, numerous aspects of this phenomenon are examined. It investigates the relationship between communities and the mine, as well as the socio-economic effects of mining activities on communities.

2.3 Socio-economic impact

According to the European Centre for Policy Development Management (ECDPM) (2017:26), extractive resources can bring significant wealth to a country. However, the

ECDPM (2017) argues that it is different whether the wealth generated from the extractive resources translates into sustainable development.

It is widely accepted that developmental activities such as mining are expected to directly or indirectly contribute to the social and economic development of the surrounding communities (ECDPM 2017:38). However, socio-economic impact is a concept that has many different connotations for development practitioners and academics; it is an evolving concept without a consensus definition. In general, "socioeconomic impact" refers to the negative and positive developmental influences of mining activities on the social and economic well-being of communities (Morris & Baartjes 2020:32).

Socio-economic impact is defined in this study as the potential for a proposed development project to alter the lives of current and future residents of a community. According to the United Nations (2014:25), socio-economic impacts are the effects of industrial activities that influence communities socio-economically or culturally, directly or indirectly, in whole or in part, for the better or for the worse. However, to better comprehend the term 'socio-economic,' it must be understood in the context of development. In this context, development is typically understood as a state in which a variety of factors, such as education, income, occupation, and health, improve or become more valuable (Kariuki 2009).

Todaro and Smith (2019:56) define development as the process of enhancing the quality of all human lives and capabilities by increasing people's standard of living, self-esteem, and freedom. This comprehension encompasses the entirety of socioeconomic development anticipated from a development activity like mining. It contributes to Sen's (2018:29) definition of development as the process of enhancing people's fundamental freedoms so that they can enjoy and make the most of their lives. Sen (2018) argues further that any development that disempowers communities is a negative influence that ought to be examined. Roland (2014:49) argues that an empowering development initiative involves a long-term process involving several interdependent microeconomic capabilities combined with incentives to support and enhance a community's welfare.

The primary benefit of any extractive sector, according to Widana (2019:5), is income. It is claimed that if extraction activities had not brought in revenue for the proponent, they would not have happened. Individuals, businesses or the entire nation may benefit from the income generated via mining. Many other sources of revenue are available to individuals, including wages and salaries for workers, commissions for contractors, and money earned by the local community from selling food and non-food items to miners. The revenue earned by a corporation or nation through the sale of extracted goods or the provision of related services, on the other hand, is known as extractive income.

Mestanza-Ramón, Ordoez-Alcivar, Arguello-Guadalupe, Carrera-Silva, D'Orio and Straface (2022:16) note that from a socio-economic perspective, the biggest issue some nations face is the lack of transparency maintained by local and national authorities in the management of income. Governments must, therefore, effectively manage the revenue they receive from mining extraction and exports and be aware of the best ways to spend it in exploited areas to ensure their sustainability and reduce the reliance of the local populations on mining operations.

A total of 97% of the 197 respondents who were surveyed about their level of dependence on the forest reserve for their livelihoods said that they depend directly on it. The remaining 3%, in contrast, claimed that they do not directly rely on the forest for their livelihoods. When asked how they rely on the forest, 78% said they rely on it directly for water, 8% said they rely on it for medicine (herbal), 5% said they rely on it for food, 4% for timber, and another 4% said that they rely on it for fuel wood, among other necessities (Akomaning, Hlavácková, Darkwah, Ivelová & Sujová 2021:7).

In conclusion, socio-economic impact is a broad concept that encompasses every aspect of life that enhances the quality of life in communities. This comprehension informs the discussion that follows within the context of this study.

2.4 Corporate Social Responsibility

According to Van Wyk (2019:17), CSRs refer to how companies responsibly account for the economic, environmental and social impact of their business decisions and behaviours. Van Wyk (2019:27) argues that it concerns more than reporting and philanthropy. Instead, it is more of a strategic intervention that benefits the community and the business. When done correctly, it promotes a rights-based approach to development through businesses' CSR commitments. The United Nations Industrial Development Organisation (2020:par. 1) notes that CSR is generally considered as a means through which companies achieve a balance of social, environmental and economic imperatives, otherwise known as the 'triple-bottom-line approach', and simultaneously address the stakeholders' expectations of shareholders.

In addition, the Maluti Community Development Forum (MCDF) (2021:20) defines CSR as a term to describe the initiatives of firms to contribute positively to the needs of communities in their business operations. According to the MCDF, there is no legal structure in Lesotho for the CSR initiatives run by mining firms. The distribution of CSR benefits to communities and the level of company participation in CSR initiatives are not governed by any legislative framework. As a result, the community's perception is the only tool that might be used to gauge the CSR contributions of firms.

Despite the fact that mining activities have economic benefits, the size and destructiveness of these activities have adverse effects on the environment, including deforestation, land degradation, toxic water contamination, and the loss of agricultural land to make way for mining operations. Mining corporations are urged to pay back to communities through CSR due to the significant environmental change that mining causes (Musokotwane 2016:44). CSR in the vicinity of the mining operation concerns achieving a balance between the differing and diverse demands of stakeholders in particular communities while pursuing the profit-making goal of the mining company. (Viveros 2016:51). Viveros (2016) further notes that when a mining company does not integrate CSR as part of operations, but only treats it as a reactive approach to communities' demands, such an approach could create conflict between the mining company and the communities.

In recent years, Hilson, Hilson and Dauda (2019:60) presented that governments and civil society organisations have put pressure on mining companies to include CSR as part of their operation strategy. Hilson et al. (2019:61) contend that where mining companies approach CSR in a reactive manner, such a reactive approach, most of the time, could lead to conflict between the communities and the mining firm.

Majority of governments view the private sector as a development tool. Beyond adhering to the law and contributing directly to the economy, profit-driven corporations now have responsibilities that extend further. Companies are also expected to take the lead on socio-economic issues, such as environmental sustainability, social cohesion, and human development (Morales, Radaura & Betancourt 2017:116) In addition, businesses are now expected to be socially responsible, or good corporate citizens in the communities in which they operate.

2.5 Creation of employment

The OECD (2019:15) identifies income and employment as two major influences on the quality of life. Higher living standards are typically associated with higher income and employment, allowing people to realise their aspirations and hone their skills and abilities. Higher-than-average income and more employment have been linked to mining. The distribution of these advantages among population groups is somewhat uneven. Income and employment disparities can be difficult for local governments to address in mining regions and towns as they have an impact on and may even impede local growth. Wage disparities between mining and non-mining workers are a common cause of income inequality in mining regions. Mining firms frequently pay more than local companies or services owing to the worldwide competition for skilled labour.

As a result, other employers may experience a difficulty in remaining competitive and may even be forced out of the market, according to the OECD (2019:25). This limits career options and economic diversity in the area. Additionally, as prices rise, increasing wages in the mining industry may limit lower-income individuals' capacity to spend. In other instances, newly created jobs rely on skilled outsiders rather than the local labour pool, which does not benefit them. If workers do not live in the town permanently, money is frequently wasted elsewhere. Local communities are,

therefore, deprived of the much-needed income from extractive industries and employment prospects. Rising trends in automation and digitalisation may contribute to this as they make it unnecessary to have a local labour force and enable economic activity to take place everywhere. The support for local mining operations is heavily influenced by the creation of local jobs and competitive compensation. Mining firms are increasingly aware that respecting societal demands and promoting local economic growth through the local purchasing of goods and services, the creation of jobs, as well as the improvement of local skills are essential to long-term commercial success.

Direct employment in mining will decline in the future. The mine of the 21st century will probably be less intrusive and be run primarily by new technologies that require less human involvement. For instance, drones may be used for geothermal mapping to improve the effectiveness of geological drilling and sampling. Robots will likely take the position of rock drill operators, barring unforeseen circumstances. Future mines will probably start out underground, minimising their surface-level impact. Before being evacuated from the mine site, ore will be crushed. The crushed ore will be transported to more compact, flexible operations for processing by automated, driverless trucks. While traditional occupations will be replaced, more positions may be created for technicians and programmers to operate “virtual mines” (Cooper & Harvey 2018:3).

Among the strategic pillars of local content strategy gradually embraced by resource-rich economies (RREs) is the promotion of direct job creation (ECDPM 2017:24). The ECDPM (2017:35) further argues that in an eight-country study conducted in sub-Saharan Africa by the African Centre for Economic Transformation (ACET), governments legislate job creation by setting employment targets and quotas, and enforcing compliance through an affirmative action policy. For instance, Nigeria and Ghana put in place laws. Simultaneously, Namibia, Ethiopia and Mozambique developed various policies that, as a precondition to license application, mining companies must submit employment statistics and training programmes for nationals.

One of the key benefits of mining activities is a rise in employment. To carry out a variety of tasks, the sector needs a variety of people, including unskilled, semi-skilled

and professionals. Local labour is frequently used to recruit unskilled and semi-skilled workers, which is primarily advantageous to the neighbourhood. Knowledgeable workers could originate from various regions in the country or even abroad (Widana 2019:7). In China, Jackson and Sleigh (2019:56) argue that where mining activity led to the displacement of residents whose primary source of income was farming, they were unable to gain access to land that would have allowed them to resume farming. Those who were unable to find work at the mine site and related infrastructure projects were forced to relocate to urban areas in search of new livelihoods.

In Romania, the RMGC gold mining project was heavily criticized for its social and environmental impacts, prompting calls for a rethinking of the mining area's development framework, which has also had national policy implications (Vesalon & Cretan 2019:548).

In their study on the socio-economic effects of mining in Ghana's Atiwa Forest Reserve, Akomaning et al. (2021:13) made it clear that the majority of stakeholders, particularly those who reside in the communities where the mine is planned to be established, would refuse to support the proposed mining project if they had the option. The irreplaceable nature of the impact of the mining activity on their other sources of livelihood, especially the forest plantation, is driving the people to refuse to consent to its destruction even though they give credit to its potential employment-generating chances.

However, Katula (2014:4) argues that in Tanzania, almost 93% and 80% of mining and non-mining communities benefited in different ways from the presence of a mine. Katula (2014) notes that the communities benefited from a variety of economic activities, including subsistence businesses, the sale of food crops, the construction of water systems and schools, and the improvement of road networks. Others, however, were employed at the mine. According to research conducted on the Indonesian island of Singkep, a tin mine was the main economic activity that could guarantee the local population good employment. For the majority of households, it became the main source of income and the main source of employment (Syahrir, Wall & Diallo 2020:14).

Contrary to the notion that mining operations generate employment for the surrounding communities, modern mining operations are technology-intensive, which means conventional job creation expectation is on a sharp decline (ECDPM 2017:41). For instance, the ECDPM suggests that in Ghana, Namibia and South Africa, the spending of mining companies on low and semi-skilled labour is declining drastically. Consequently, the objective of national governments to prioritise job creation through the mining industry is defeated by the technology-intensive nature of mining operations, which is no longer a viable strategy for job creation.

The absence of employment prospects provided by mining firms to members of the local community is seen as having a negative influence by a sizable majority of the respondents in research by the MCDF (2021:17) in Lesotho (86%). The employment issue is important due to the lack of work options, as well as the fact that mining operations are conducted on villagers' land.

The majority of employed villagers work as labourers. Some respondents claimed to have previously worked for mining businesses, but according to the MCDF (2021:17), they were only given short-term contracts of less than a month or slightly longer contracts of six months. There is no proof that the mining firms have initiatives to impart knowledge and skills to the locals who are fortunate enough to find jobs.

2.6 Impact of mining operations on cost of living

According to Hilson et al. (2019:28), communities are usually compensated when a new mine is established. In most cases, they benefit from substantial revenue inflows, which act as a catalyst for change and growth. The input services provided to mining operations are also the main source of economic benefits to communities as the mines are expected to give preferential outsourcing of goods and services from the communities; hence, boosting local development.

However, when a mine procures from local community businesses, this may increase demand and, as a result, increase the prices of goods and services locally. Furthermore, when economic activity depends on mine activities, it usually leads to an

increased community's reliance on the mining operations, creating the community susceptible to downsizing or other changes, and aggravating the power imbalance. (Hilson et al. 2019:33).

Nasrollahzadeh (2022:109) notes that land value declines during the construction of large projects such as mines; however, when the structure of a plant is finished, the value jumps when the mine starts operating and generating revenue. This jump is said to be modifying the socio-economic setting of the neighbouring communities from low-middle-class neighbourhoods and slum areas to high-middle-class neighbourhoods.

2.7 Impact of mining operations on the economy

There is an expectation that the mining establishment will increase its contribution to value-added direct and indirect employment. Moreover, the mining establishment is expected to influence economic and developmental variables, such as direct and indirect contributions to government revenue, contribution to education and skills development, and contributions to infrastructure, housing, roads and utilities. (Ackermann, Botha & Van der Waldt 2018:8).

The MCDF (2021:22) stipulated that when a large mine is developed, communities can receive compensation and significant money flows, which can serve as a significant driver of economic growth and development. These financial flows have the capacity to alter the economic and social fabric of communities in regions that were previously outside of the cash economy. The types of payments and how they are used are crucial factors in whether mining can support community-level sustainable development. Communities should be made whole for any losses they experience in terms of housing, land or access to alternative forms of income.

Many actors now understand that using cash for those who have little experience with cash economies may hurt them in the long run as it may cause social unrest or investments with scant long-term returns. However, there are numerous issues with compensation systems. For instance, they might handle property values considerably more effectively than dealing with unauthorised land use or the disappearance of traditional subsistence livelihoods. According to past experience, social conflicts

brought on by compensation arrangements set at the start of an operation are likely to last for the duration of the mine (Worlanyo & Jiangfeng 2021:25). Additionally, Chuhan-Pole and Dabalén (2017:46) observe that mining communities could benefit from mining activities through fiscal and the market if revenue and costs from mining activities flow to local communities through the market and fiscal mechanisms. Chuhan-Pole and Dabalén (2017:56) argue that the market waterway works in situations where the incomes of residence from the local communities rise due to employment by the local mining firms. Alternatively, this happens when, through backward integration with other sectors, the community supply the mine with goods and services.

In support, Beatre (2017:68) purports that backward linkages concern mining companies employing local communities and procuring goods and services from the companies of the community. These economic linkages have the potential to contribute to significant social and economic benefits to the communities. Moreover, this is further enhanced by spending wages and revenues locally, thereby boosting local economic development (Beatre 2017:78).

According to Morales et al. (2017:111), well-planned and executed mining investments can significantly enhance the development of local communities. Optimally, the investment takes the form of worker capacity building and infrastructure installation in public schools, health clinics, water systems, and transportation infrastructure. Government and local communities anticipate that mining companies will stimulate local entrepreneurship by creating opportunities for the supply of materials and related goods and services to mining companies, miners, and their families (World Bank 2016:28).

Moritz, Ejdemo, Söderholm, and Wårell (2017:3), argue that the relationship between the mining sector and the local population depends on how mining helps create jobs in the area where it operates. However, evaluating the effects of mining on employment is far from simple. This process generates a cycle of revenue generation and currency circulation, which is anticipated to improve the quality of life in mining communities. In addition, the sector generates much-needed

foreign exchange and other tax revenues for the government, all of which contribute significantly to the country's balance of payments and GDP.

While an active mining sector that contributes to the socio-economic development of local communities is the ideal scenario, the literature reveals varying levels of success worldwide. The difference in degree of success is primarily due to the lack of or limited public participation in development processes. Worlanyo and Jiangfeng (2021:35) argue that public participation in sustainable mining activities is directly proportional to the sustainability of those activities. The authors emphasised that the community, government, and mining company owners should collaborate continuously and sincerely to sustain mining activities in the area. While true in developed nations, this is not the case in developing nations (Maliganya & Paul 2013:12).

However, mining companies like Kumba that are committed to improving the socioeconomic conditions of local communities recognise that mining companies must contribute to a socially sustainable economic project for mining activities to be sustainable. Syahrir et al. (2020:17) argue that a mine should be deliberate in its efforts to improve the social and economic infrastructure of local communities, with a particular emphasis on:

- Improving education in surrounding communities by building schools;
- Improving health care delivery by building hospitals and health clinics;
- Improving the skill levels of community members so that they can secure employment opportunities in the mines and be economically active;
- Improving mine safety so that families in mining communities are not left without breadwinners;
- Improving housing in local communities by building decent housing.

According to Widana (2019:8), the land, ecosystem, forest and several other ecosystems are significant sources of livelihood for tens of thousands of people globally. The sector is likely to endanger people's way of life as mining consumes land and undermines the sustainable management of numerous kinds of resources, including water. There are positive and negative effects. There is overwhelming evidence that the expansion of mining has worsened the loss of livelihood.

The primary economic activities of the residents of Kamtonga and Mkuki in Kenya, according to Mwakesi, Wahome and Ichang (2020:29-297), are farming and trading. Owing to the increasing need for food among those who work in the mining areas, mining activities open up new markets for regional farmers.

Mwakesi et al. (2020:299) also note that the mining industry has drawn people from other counties to the Taita Taveta County. The mining activity of the area has given rise to a variety of economic enterprises. To ensure the viability of their households, both genders work equally in agriculture and other economic diversification activities. Men are more likely than women to work in the mining industry and have had more economic and financial growth. The respondents concurred that mining activities helped open up new business prospects, including the primarily female-run food vending industry and better transportation, food security, and wealth generation. At least one family member from each household is actively employed in the mining industry, significantly reducing household poverty. The mining operations of the study area enhanced the quality of homes and the roads, schools, health centres and market areas of the area. Some communities were able to purchase tools for farming and other forms of subsistence owing to mining.

The communities in the study regions of Kamtonga and Mkuki have suffered certain detrimental effects due to mining operations. Some households did not benefit from mining in terms of acquiring assets such as real estate, vehicles and homes. This indicated that while mining improved its capacity to meet its basic requirements, it could not produce wealth in the form of assets. Due to the growth in the number and size of mining pits, particularly those not adequately rehabilitated, some communities have lost their land. Large-scale mining operations and open pit mining have destroyed agricultural land, resulting in lower food yields and lower living conditions. Regarding remuneration, well-known mining corporations in the region failed to share their earned profits or provide the promised support for development initiatives. Additionally, indigenous people are powerless when migrants invade their territory to mine as there are inadequate mining restrictions (Mwakesi et al. 2020:299).

2.8 Displacement of the population and loss of livelihoods

Population relocation problems were identified by Mestanza-Ramón et al. (2022:10) in their study that was conducted in the Andean Region of Ecuador. The findings show that artisanal mining has always been a viable alternative for the residents of underdeveloped areas in the Andean region. The majority of families in the Andean provinces are said to have relied on agriculture and cattle ranching for their livelihoods. Locals claimed that because of extensive mining, people have been migrating in recent years in pursuit of better employment possibilities to boost their income. One of the options has been to engage in artisanal mining or join a fresh migrant surge to the United States and European nations ever since the borders were reopened following the Covid-19 period of confinement. Mestanza-Ramón et al. (2022) further point out that as the land is designated for mining activity, the traditional livelihoods on which they have historically relied, such as farming and cattle ranching, have been lost. Lower productivity is the outcome of the abandonment of livestock and agricultural land.

According to Mwakesi et al. (2020:296), who backed Mestanza-Ramón et al. (2022), mining-induced displacement is another approach that threatens the livelihood of local communities and leads to their dispossession. Local communities are impacted by mining developments in terms of ecosystems and land usage. Dust, noise, waste water, and heavy metal emissions from mining and mineral processing have greatly degraded the quality of the ecosystem and caused problems with public health.

Widana (2019:26) argues that when communities are resettled to give way for the construction of the mine plant, their assets that are fixed to the land are affected, severely impacting the surrounding community. Homes, sheds, irrigation systems, animal cages, trees, crops, drinking wells, companies, etc., that support a way of life or create money are examples of such assets. Many laws of countries demand that they pay compensation for moving assets that are fixed to the land. Companies, however, pay little attention to compensation payments negatively influencing people's activities that support their livelihood.

Nasrollahzadeh (2022:99) further mentions the fact that recipients of compensation misuse the money they receive, which is another problem. This is caused by various factors, including ignorance, a lack of orientation on the part of the populace, a lack of possibilities for training and skills development, and a lack of compensation fund investment options. Generations of people have worked in the farming business, and it takes a lot of effort to retrain individuals to perform jobs other than farming. The following examples illustrate the difficulties of those affected by relocation even after having received compensation:

- The inability to find assets of comparable quality;
- The propensity for compensation funds to be spent on white goods, vehicles and other commodities that do not directly support income creation or livelihoods;
- The fact that the impacted individuals are not given enough life skills training, some communities in the rural areas, in particular, lack prior experience handling significant sums of money, which they typically use for consumption;
- Compensation money is stolen from them or lost; and
- Compensation funds are invested in failed new investments caused by inexperienced management.

The affected people's post-resettlement living conditions tend to be poorer than during the pre-settlement phase owing to one or more of the abovementioned issues (Nasrollahzadeh 2022:101).

2.9 Impact on culture

Mining frequently occurs in rural communities where locals have lived for many generations. Many of these people have a traditional way of life closely related to their environment and are recognised as indigenous. An increasing number of these communities are contacting mining corporations as the mining sector continues to grow. The great majority of human rights violations documented by indigenous communities to international human rights organisations are caused by the exploitation of natural resources on their territory (Nezer 2019:25).

Furthermore, Leonard (2019:23) observes that local communities might face significant social challenges as a result of the unexpected migration of foreign labour into predominantly rural areas. Such challenges may include the following:

- Locals view foreign workers as rivals for scarce resources in their communities, crowding-out consequences in services overutilisation (housing, infrastructure), even resulting in the restructuring of regional social structures.
- Land management, including its utilisation for waste disposal: This problem is especially sensitive when mining operations conflict with other types of land uses, such as activities including farming, artisanal mining or tourism, as well as when it is inhabited by indigenous people, for whom land typically serves as their main source of income, and the core of their faith and collective identity.
- Economic inequality and dependence: With regard to economic disparities, inherent differences between members of a group's wages and standard of living, group of people who work in the mine and the rest, as well as outsiders from different locations, royalties or rentals for resource use, and those that do not. Meeting needs in the community can be significant due to the extraction of mines, oil and gas, which is susceptible to booms and busts in commodities' costs or adjustments to activity levels.

2.10 Community's reaction to the mine establishment

Nezer (2019:19) believes that people succeed in consistency and uniformity in their daily routines. If this normalcy were to be altered, it would cause a tremendous amount of stress, affecting the community's coping strategies. Nezer (2019:19) argues further that a community's first and most common responses to a changed way of life are fear, anxiety, and uncertainty, coupled with a strong resistance to change.

Markovic and Salamzadeh (2018:13) argue that engaging the communities is not an option, but mandatory, particularly where their livelihood is threatened. Listening to and engaging with communities is crucial to winning community support and buy-in. It is critical to guarantee operational effectiveness, stability and accountability to all stakeholders and the communities affected by the operations. Markovic and Salamzadeh (2018:15) further note that one must comprehend the information

requirements of various groups and their preferred mode of communication. Investors who set up their establishments in the rural community should demonstrate that they have listened and should be proactive in outlining their plans and why specific actions cannot be done.

Research by Worlanyo and Jiangfeng (2021:41) in the industrialised countries has shown that the effective involvement of neighbouring communities in decisions that impact them increases the use of sustainable mining methods. While more advanced in Canada than in Latin American contexts, it was noted that enhanced local community involvement promotes sustainable mining activities.

A key stakeholder in the assessment of the social and economic effects of mining operations is the local community. This is demonstrated by the relationship between project social acceptability and the quality of interactions between mining firms and the local population. The literature review provides insight into the local communities' resistance to mining ventures. Mining firms assert that public resistance has an impact on whether or not the government approves their projects (Gueye, Badri, & Boudreau-Trudel 2020:4).

Gueye et al. (2020:67) have made the case that regional communities are showing signs of wanting to manage the natural resources in their areas. Despite the efforts of the mining industry to strengthen its relationships with local communities, certain mining operations in the field still have the propensity to disregard obligations. By exposing the misconceptions that pose a threat to harmonious interactions, creating a new model for social and economic impact evaluation may help to overcome this issue, at least in part. However, many emerging nations have not experienced this. Research conducted in Ghana indicates that since the economic policies of the country began to shift there in 1983, the mining industry has had a major investment boom and increased production. This has been particularly accurate in the gold market. Although there has been a boom, there is growing concerns about the advantages accrued to the country and the neighbouring territories (Eggert 2001:65; Leonard 2019:16).

While industry practice has been to believe that entering into an agreement with the government is sufficient, governments have been creating their mineral development plans without considering or involving the people who are likely to be impacted (Leonard 2019:16).

Govindan, Kannan, and Shankar (2014:215) note that there is a dearth of literature on the mining industry and its sustainable practices in South Africa in terms of the socio-economic welfare of local communities. Similarly, the majority of literature focuses primarily on the Lesotho Highlands Water project in Lesotho. Due to the fact that diamond mining in Lesotho was conducted on a small scale by artisanal miners for a lengthy period of time, the academic literature on the mining industry is limited. Recent years have witnessed significant foreign direct investments in diamond mining in Lesotho. Due to their size, they inevitably generate economic expectations in the surrounding communities.

Azarvan (2010:38) poses the question whether foreign direct investment in Lesotho is, in fact, an engine of development. The construction of a multibillion-dollar dam between Lesotho and South Africa sparked this inquiry. The majority of respondents to the Azarvan survey believe that their standard of living has decreased as a result of this massive infrastructure project. Azarvan argues that the construction of the dam has made the population poorer by removing their land and other means of subsistence (2010:44). Due to the loss of arable land, the nutritional status of the community has deteriorated, and the compensation provided was not sustainable.

According to Worlanyo and Jiangfeng (2021:21) mining operations should support local efforts for sustainable development. Then, in order to prevent or minimise any issues, the communities must be allowed to engage properly in the establishment and management of the operations. Additionally, cooperation, trust and respect between the community and other actors, such as the business and government, requires cooperation. Governments and businesses must be sensitive to and relevant to cultural differences in their actions. The positive effects of mining must be maximised, while the negative effects must be minimised or reduced. Additionally, the advantages must be retained when the mine closes and distributes fairly among communities. In

summary, every mining company in Lesotho is responsible for improving communities' socio-economic conditions adjacent to mining activities.

2.11 Conclusion

The objective of the preliminary literature review was to comprehend the socio-economic impact, concept, and understanding of the Lesotho mining industry and its contribution to the socio-economic development of mining communities. It appears that certain mining corporations have not assumed responsibility for addressing socio-economic issues in their regions because they believe it is the government's responsibility to do so. Nonetheless, the role of corporations in communities is unambiguous according to corporate citizenship theory and mining laws. Despite scant evidence that the majority of mining corporations have fully assumed this role, instances of effort and willingness have been documented.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

In this study, qualitative methods were used to collect and analyse data. This chapter describes the subject of the study and the methodology used to conduct the research. Following a discussion of the characteristics of the study area, the research methods for collecting, processing, and analysing data are described. Finally, limitations and problems encountered during data collection are briefly described.

3.2 Research design

A research design is defined by Bell, Dos Santos, Masange, and Van Wagner (2014:382) as a framework for collecting and analysing data. Further, a research design is defined as "the series of logical steps taken to answer the research question" (Brink, Van der Walt & Van Rensburg 2006:46). Brink et al. (2006:47) add that a research design aids in determining the appropriate methodology for obtaining information sources such as elements, subjects, and analysis units. In addition, it guides the collection and analysis of data used to inform interpretation.

The studied area consisted of the subvillages of the Liqhobong community in Butha-Butha, where the mine is located. In qualitative research, the data collection and analysis methodology emphasises words over numbers (Bell et al. 2014:382). In order to comprehend the context, an interpretation of the findings follows a descriptive analysis. The qualitative method was adopted in this study as the objective is to obtain the attitudes, opinions, views and preferences of residents in the study area. The observation of Bell et al. (2014) is supported by Hammarberg, Kirkman and De Lacey (2016:59) when they present that qualitative research techniques comprise small group discussions to explore attitudes, beliefs and concepts of normative behaviour. Moreover, Gounder (2019:39) reiterates that qualitative research assumes non-numerical and descriptive data, with the application of reasoning and the use of words. The objective is to obtain the feeling, meaning and description of the situation.

There is a great deal of flexibility involved in qualitative research, for instance, the responses of participants to questions influence which and how questions should be asked next. Moreover, "it leads to a greater understanding of the experiences of individuals. It focuses on the reasons why things may be as they are (Bell et al. 2014:383). Bell et al. (2014:388) note further that "the researcher can steer the discussion in real-time as opposed to being limited to specific questions." Furthermore, human experiences are more complex and potent than quantitative data". Qualitative research focuses on human experiences and yields more persuasive results. This study prefers qualitative research for the aforementioned reasons. Gounder (2019:25) adds that due to the researcher's close involvement, issues that are frequently overlooked in quantitative research are uncovered.

The researcher employed a sampling strategy, which is defined in the section that follows.

3.3 Sampling strategy

Brink et al. (2006:45) define a sample as the fraction or portion of a whole selected by the researcher to participate in the study. Bell et al. (2014:383) reiterate that research participants are selected from a population sample. As described below, a sampling strategy is the researcher's process for selecting a sample.

As stated in the preceding section, the area under investigation was the Lihobong Village, where the mine is located. First, the Chief was consulted to obtain a list of all mining-related communities. The list was then divided into clusters, and subjects were randomly selected from each cluster using multistage sampling to participate in the study. This sampling technique was essential to ensure that the perspectives of communities in different regions were captured and that male and female residents and participants from various population groups were given equal opportunities (Farrokhi 2012:15).

In this study, where the researcher expected to obtain information from a specific group of residents, purposeful sampling proved to be more appropriate. In lieu of random sampling, the researcher used non-probability sampling, which employs the

researcher's subjective judgment to select a sample from various individuals and units within a community (Farrokhi 2012:25). Due to anticipated inaccessibility in other areas, the population's geographical diversity made it difficult to apply probability sampling.

In light of the fact that there are 141 households in Lihobong Village (Lesotho Bureau of Statistics 2018a:98), the population consisted of 141 households. The sample consisted of 40 individuals representing 40 households from the population to form five focus groups with eight members each. Forty was considered an adequate sample size to enhance the accuracy of estimates and improve the ability of the research to be concluded and reach data saturation. Guest, Namey, and Chen (2020:25) define data saturation as "the point at which there are no additional data from which the researcher can derive category properties". Namey et al. (2020:26) argue that saturation is reached within the first five to six interviews. The majority of new information is produced such that hardly any new information can be generated beyond the saturation point. Therefore, 40 households were sufficient to achieve data saturation.

In research exploring the use of the qualitative research method as a data collection tool, Ochieng, Wilson, Derrick and Mukherjee (2017:1) reported that three to 21 participants with a median of 10 participants could be used in a focus group discussion. Nyumba et al. (2017:34) further argue that mini focus groups of two to five participants could be convened when securing the required number and a small potential pool of participants is difficult. However, the study design required that data be collected through group discussion to understand social issues.

For this study, each focus group consisted of eight male and female residents of the Lihobong community, regardless of social standing. Smaller numbers are favoured because they are simpler to manage, moderate, and successfully analyse (Ball State University 2012:2). Moreover, 10 is sufficient to maintain social distancing during group discussions, less costly in terms of providing a face mask for each participant, and makes administration of sanitiser achievable, which were mandatory in terms of Covid-19 mitigation measures.

3.4 Selection and recruitment

The focus group was characterised by homogeneity, yet had an adequate variety of participants that allowed contrasting opinions. In this case, all the residents of Liqhobong in the vicinity of the Liqhobong mine operations were eligible for selection regardless of their social, economic and/or educational status.

Males and females were represented; however, one member was recruited per household. Except for the youth representative, age was not a restricting factor as some households have young adults, while others have senior citizens. The youth focus group was established separately, with vulnerable populations such as people with disabilit(ies) also being accommodated. In order to avoid participant dominance, males and females were separated during the sessions. Community members with speech and hearing impairments were excluded as the researcher would have required interpreting services. Furthermore, children under the age of 18 were not eligible for selection.

The researcher briefed the Chief, who is the community gatekeeper, on 23 August 2021, about the study and secured the Chief's assistance in recruiting participants. The briefing to the Chief included how the community would benefit from the outcomes of the study, that both males and females were eligible to participate, and the size of each focus group. The Chief, as the community leader, commands respect, thereby giving credibility to the study and increasing the chances of nominated individuals accepting an invitation.

An existing list of households at the Chief's place was used to select the participants who fit the screening criteria above. A list was considered as it was the quickest and most economical means of selecting and recruiting participants. The names of the households were randomly selected from the nomination list in consultation with the Chief or the gatekeeper. The Chief invited them to the Chief's place, where the focus group sessions were held. It is important to note that the researcher considered the convenience of the participants in that priority was given to the participants who met the screening and were available on the date and time of the focus group discussion. The Chief or gatekeeper was given a minimum of two weeks to arrange the sessions,

and the time of the sessions was based on each group's convenience. As such, some of the focus group discussions took place in the morning, while others happened in the afternoon.

3.5 Data collection method

Focus group discussions that permitted the asking of additional questions were utilised to collect data. According to Litosseliti (2003), focus groups are controlled, participant-selected groups typically led by a moderator. Due to the geographical distribution of the study area and the number of participants, data was gathered through focus group discussions. According to the latest Covid-19 Regulations of the Government of Lesotho (2021), public gatherings are allowed for a maximum of 50 people if the activity is inside and a maximum of 100 people if the activity takes place outside. The activity lasted for up to three hours. Furthermore, the Regulations provide that the organiser must ensure adherence to social distancing, the mandatory wearing of masks, and regular hand washing or sanitising throughout the event. The above guidance was maintained throughout the focus group discussions to protect the participants from contracting the virus.

3.6 Interview guide

The data were collected following an adapted interview guide covering broad topics linked to the research objectives. The focus groups were conducted in Sesotho to allow the participants to present their opinions in their first language fluently and to allow equal participation to some members of the community who may not be fluent in English. The researcher is a native Sesotho speaker fluent in English; therefore, there was no language barrier.

The issues that were covered included the general demographic data of the population. Other topics included changes in income and the livelihood of the communities as a result of the mine operating in the Liqhobong community. The issues concerning beneficiation and community upliftment resulting from mining activities in the area were interrogated. The research also explored the degree of inclusiveness in mining activities and local development planning processes. Communities' perceptions about the extent of the mining company's contribution to their livelihood

activities and how reliable the mine is in fulfilling its corporate social responsibilities were also explored.

3.7 Data analysis

For data analysis, the qualitative data analysis software NVivo 12 version 12 was used. Once the interviews were concluded and the collected information was safely stored, the transcription process commenced. First, each recording of a focus group discussion was transformed into a readable transcript. This procedure was carried out with care to ensure that no detail was overlooked, which could compromise the quality of the data required for analysis. After completing this procedure, all transcripts were ready for analysis. The substantive portions of the transcripts pertaining to the research objectives and new topics or issues were then classified and coded based on themes. The themes served as categories for data analysis.

First, the data were cleaned and screened before it was set up in NVivo 12. The data were then explored with lexical queries. Sessions of coding data followed the creation of categories and themes. The process entailed connecting the themes, presenting results and designing diagrams and maps. Finally, a comprehensive report was produced.

3.8 Data trustworthiness

To ensure data validity and reliability, four principles of trustworthiness were considered. According to Nassaji (2020:428), these principles are credibility, transferability, dependability, and confirmability. The first principle of credibility concerns the extent to which the research findings and conclusions can be viewed to be believable (Nassaji 2020: 428). Put differently, this means the extent to which research findings and conclusions reflect the reality of the subject investigated. The researcher was a programme director for a community development organisation before and lived in this community for at least four years; hence familiar with the phenomenon and the research context. In preparation for data collection, the researcher paid a visit to the community and met with gatekeepers, the village chief and the Local Counsellors and oriented them on the purpose of the study and the data

collection method to be applied. The researcher applied data triangulation by collecting, analysing, evaluating, and interpreting the data.

Secondly, Nassaji (2020, 428) argues that transferability refers to the extent to which the researcher's interpretation or conclusion is transferable to similar contexts. In order to address this second principle, consideration has been given to the fact that qualitative research is interpretive as opposed to quantitative analysis, especially the fact that it involves a small number of participants and cannot be considered representative of the whole population, and therefore lacks generalisation. The research applied purposeful sampling in order to form a nominated sample. The researcher has provided sufficient details to aid readers in transferring interpretation and conclusion if they so wish.

The third principle the researcher considered was whether the interpretation and conclusion conformed to dependability. Stahl and King (2020: 27) observed that dependability highlights the principle that the study should be reported to allow others to arrive at similar interpretations if they review the data. Therefore, the researcher provided a detailed description of the study methods to ensure that the findings are repeatable if inquiry occurred within the same cohort of participants. The researcher has documented all activities and kept all source documents of this research and are available for independent review to examine the degree of accuracy and the extent to which data inform conclusions. The researcher secured ethical clearance from the University, which went through a thorough review and incorporated all comments from the ethics committee.

Finally, the researcher considered the fourth principle, which is confirmability. Stahl and King (2020: 28) noted that confirmability is concerned with the degree to which other researchers can confirm the researcher's interpretation and conclusion. To this effect, the researcher was actively involved and engaged in data collection, analysis and interpretation of the results. Furthermore, in order to bring a different perspective to data interpretation, the researcher employed an independent professional for data analysis who utilised an NVivo 12 to augment the researcher's work. The audit trail of

all records to confirm the steps taken and how decisions were made concerning data coding and analysis is available for further evaluation and confirmation.

Above all, the study ensured compliance with the approved research protocol and ethical considerations.

3.9 Ethical considerations

Brink et al. (2006:35) state that ethical principles in research are driven by human rights and seek to protect privacy and ensure the anonymity and confidentiality of research participants. Therefore, it is in the researcher's best interest to guarantee that the welfare of the participants was not compromised by their participation in this study. The researcher ensured the confidentiality and anonymity of participant responses. The confidentiality and anonymity of the study participants were ensured by the researcher's promise not to disclose the data and identities of the participants to any third party. In addition, participants were informed of their right to voluntarily participate in the study and asked to sign a consent form. To protect their privacy, all information collected about individuals' names, dates of birth, and other information was treated with the utmost discretion. The data were collected solely for the purposes of this study, and no misrepresentation occurred. During data collection and beyond, the researcher took precautions to avoid invading people's privacy by scheduling appointments in advance.

The permission to conduct this study was obtained from the General Manager of the Liqhobong mine due to the study's potential impact on the mine's reputation and the community. In addition, permission was obtained from the Liqhobong local chief. When collecting and analysing data, the researcher always maintained objectivity and avoided bias.

In addition, the researcher ensured there was no intent to harm participants physically or emotionally, or to diminish their self-esteem. There was no participation incentive. The participants were informed and assured that the data collected and the results of the study would not be used for commercial gain, but only for academic purposes.

In addition, effective from 28 April 2022, Lesotho moved to a modified Blue level of Covid-19 restrictions, which allowed public gatherings, while observing Covid-19 protocols. Under this modified level, a maximum of 500 people for a maximum of three hours outdoors could attend a public gathering. It must be noted that data collection happened during Covid-19 restrictions; therefore, social distancing, frequent hand washing and wearing a mask were measures implemented to mitigate the spread of Covid-19.

For this study, the participants were allowed 1,5 m of social distancing, provided with face masks and sanitised before the group discussion commenced, during and at the end of the discussion. Minimal screening of symptoms was also conducted at the beginning of each group discussion. In compliance with the Covid-19 Regulations, the three-hour maximum time allowed was broken down into shorter sessions of 60 minutes each. To ensure that the study met the ethical standard expected by the university, the researcher obtained ethical clearance bearing the approval number: UFS-HSD2021/1338/21.

3.10 Demarcation of field of study

The focus of the study was how mining operations in the Liqhobong community of Butha-Buthe, Lesotho, have affected the socio-economic standing of the local residents. Residents of Liqhobong, both male and female, participate in the focus group discussion. All adults older than 18 were included. The geographical coverage was restricted to residents of Liqhobong Village only.

3.11 Conclusion

In this study, a qualitative research methodology was applied. It is the optimal ideal method for comprehending the experiences and perspectives of mining communities regarding the socio-economic effects of mining. In order to collect data, interviews guided by subject-related themes were conducted with individual participants in focus groups. After data collection, they were transcribed and analysed. The data's substantive patterns and themes were grouped and coded into themes to produce a comprehensive report.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

In this chapter, the study the findings and analyses are presented. There was one primary objective and three secondary objectives for the research. The study collected primary data using qualitative research methodologies. Four focus groups with community members were conducted to investigate the socioeconomic impact of mining on the livelihoods of Liqhobong communities. The qualitative data collected were analysed using NVivo 12 software. To provide a comprehensive view of the effects of mining in the region, an adaptable research strategy was adopted.

To examine this, the lived experiences of the participants were analysed as a lens for interpretation. A third-generation model was used to explain the research questions and yielded four themes. These included the participants' perspectives on the mine in relation to their living conditions since the mine began operations in their community, the impact of mining activity on communities, the role of community leaders in ensuring that the mine contributes to the livelihoods of the Liqhobong community, and recommendations on how the mine can improve the community.

In this chapter, a profile of the focus groups and a breakdown of the contributions of each group are provided. Second, the process of data analysis is described. The data cleaning process, including the Computer-Assisted Qualitative Data Analysis (CAQDA) used to code and analyse the data, is described. Finally, the coding process and the generation of the themes are described.

4.2 Focus group profile

Before discussing the emerging themes, it is imperative to describe the participants involved in this study. A total of four focus groups was formed with 33 (20 females and 13 males) participants representing 33 households for this qualitative study to examine the socio-economic impact of mining on the livelihoods of mining communities. Community members of the Liqhobong Village in Lesotho formed part of this study. Table 4.1 below illustrates the participants' profiles.

4.2.1 Participants' contribution to the study

Table 4.1 captures the size of the focus groups and the number of focus groups generated using NVivo 12 software.

Table 4.1: Participants' demographic profile and contribution

FOCUS GROUP	PARTICIPANTS	COMMUNITY	GENDER
Focus Group 1	8	Liqhobong	Females
Focus Group 2	8	Liqhobong	Males
Focus Group 3	8	Liqhobong	Females
Focus Group 4	9	Liqhobong	Youth (4 females and 5 males)

4.3 Data analysis process

In this section, the process of cleansing, converting, and modelling data to discover relevant information for interpretation purposes, as well as gaining insights into how the study outcomes respond to the objectives of the study, is presented. In essence, this extracts usable information from data and makes decisions based on that analysis and interpretation.

4.3.1 Data cleaning process

Participants in the focus group interviews were community members. The captured information was converted and transcribed. The transcribed data were imported into the qualitative data analysis software NVivo 12. Following Creswell's (2015:247) methodology, typographical errors and missing words were eliminated and meaningful codes were developed to facilitate and enable the analysis process.

NVivo 12 was used to code and analyse all of the information provided by the participants in the research. In lieu of manual coding, the NVivo 12 version was deemed the most appropriate software for the study because it saves time and organizes work clearly and logically. In addition, the software facilitates the creation of networks and relationships, thereby producing a graphical representation of the data

(Ngalande & Mkwinda 2019:10). Although the software allows for the organisation of transcript data in preparation for analysis, it does not analyse the data, as this remains the responsibility of the researcher.

4.3.2 Coding process

Coding is defined as marking data with a theme, keyword, or phrase using tags (Myers 2018:19). After coding the data, it is categorised according to the codes. Grouping coded data facilitates the formation of data diversity. The process of coding is depicted in Figure 4.1.

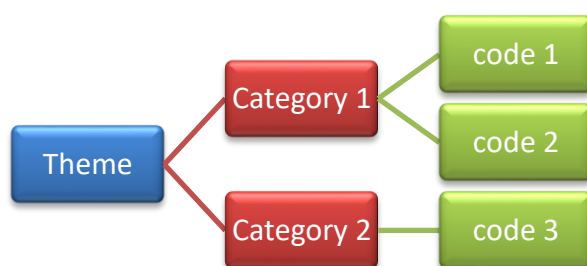


Figure 4.1: Coding process (Myers 2018:20)

Table 4.2 demonstrates an example of the coding process, in other words, how themes and codes are created. The code ‘Sense of gratitude’ was used to give meaning to the information provided by the participants. Therefore, the theme ‘Impact of mining on the community’ was generated through the code grouping.

Table 4.2: Example of the coding process

THEME	CODE	INFORMATION FROM TRANSCRIPT
IMPACT OF MINING ON THE COMMUNITY	Sense of gratitude	We are proud to have the presence of the mine because its existence

		purposefully serves us to work for our families.
--	--	--

4.3.3 Trustworthiness of the data

To ensure consistency, dependability, and accuracy, the researcher enlisted the assistance of three qualitative data analysis specialists from a research consultancy. In addition, the quality checks required at each stage increased the validity of the assumptions extracted from the codes (Catara, Bazekey & Jackson 2013:2). Although there may still be some subjective elements in the coding process, collaborative coding significantly reduces the subjectivity bias associated with qualitative data analysis by providing multiple interpretations of the data (Saldana 2016:27).

4.3.4 Main themes generated

The main themes that emerged from the data analysis process are presented in Figure 4.2. As demonstrated, the participants gave the most insights into the impact of mining operations on their livelihood and the community in general, with 118 references made. The least discussed theme was the role played by communities to ensure that requests reach the mine. Two relations were extracted from the data.

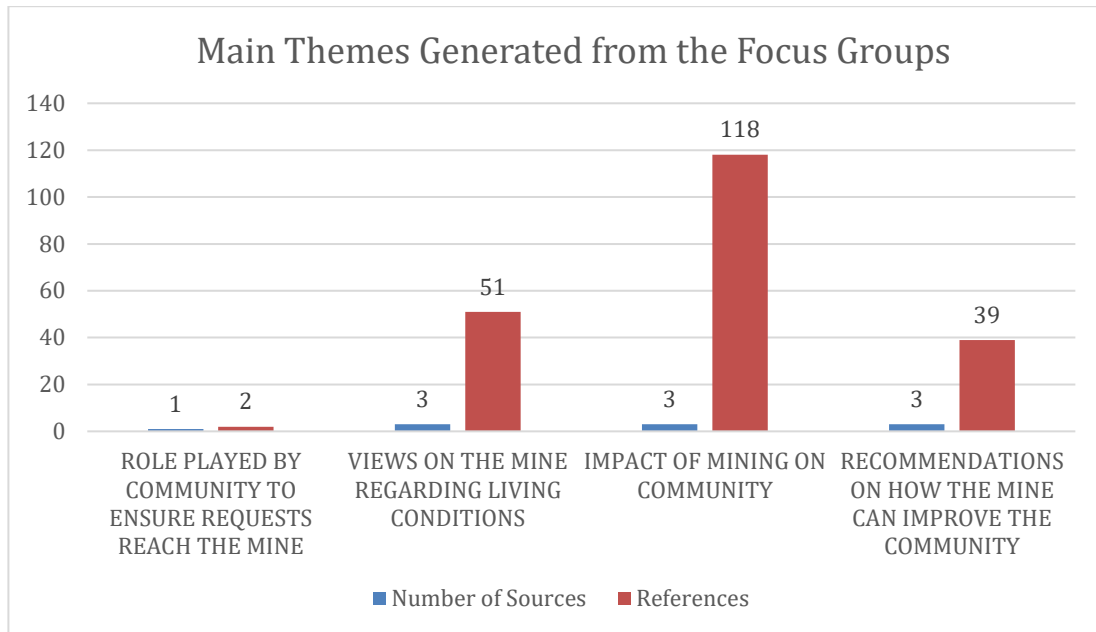


Figure 4.2: Main themes generated from the focus groups

4.4 Views on the mine regarding living conditions

In the subsequent section, the participants' views on the mine regarding the living conditions of those around it are analysed, which correlates with the subtopic 'Beneficiation and community upliftment due to mining activities' in Liqhobong outlined in the data instrument. Figure 4.3 is a visual representation of the key findings of this analysis. Evidently, opinions on how the mining company developed the local community were divided. Some participants claimed that there had been no significant change in people's lives since the mining corporations moved in, while others claimed that there was a dysfunctional connection between the two parties. However, some participants reported seeing infrastructural projects in their communities and access to jobs for the residents.

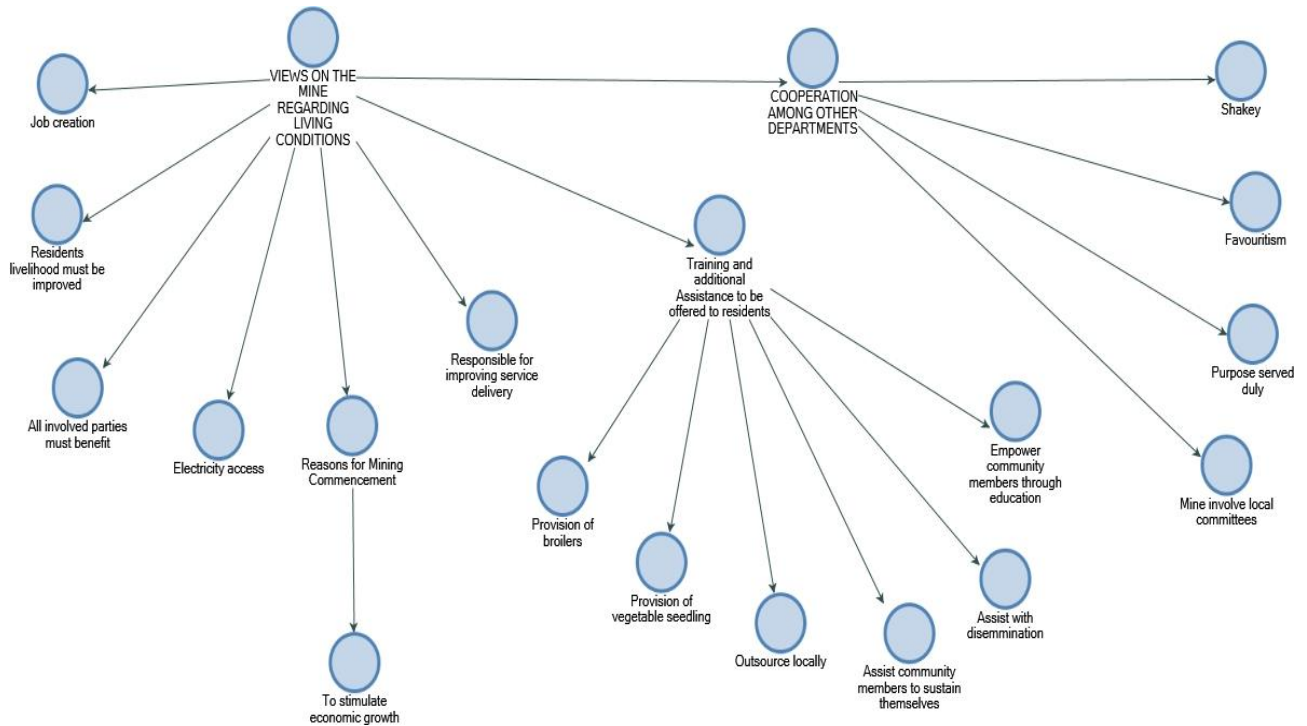


Figure 4.3: Participants’ views on the mine regarding living conditions

Figure 4.3 illustrates the participants’ contribution to different themes. As demonstrated, the participants would like to see their lives improved through training, job creation and provision of electricity among others. The collaboration of the mining company, the community and other government departments was also highlighted followed by access to electricity as the most discussed. It would seem that the community would like to see increased collaboration between the community, the mine and other relevant government departments if a meaningful, life-changing project were to be achieved. Among other things, the community would like to see the mining company delivering on its promise of funding the electricity infrastructure as they believe it would go a long way in supporting other livelihood initiatives, as is said, ‘Power is the catalyst to development’.

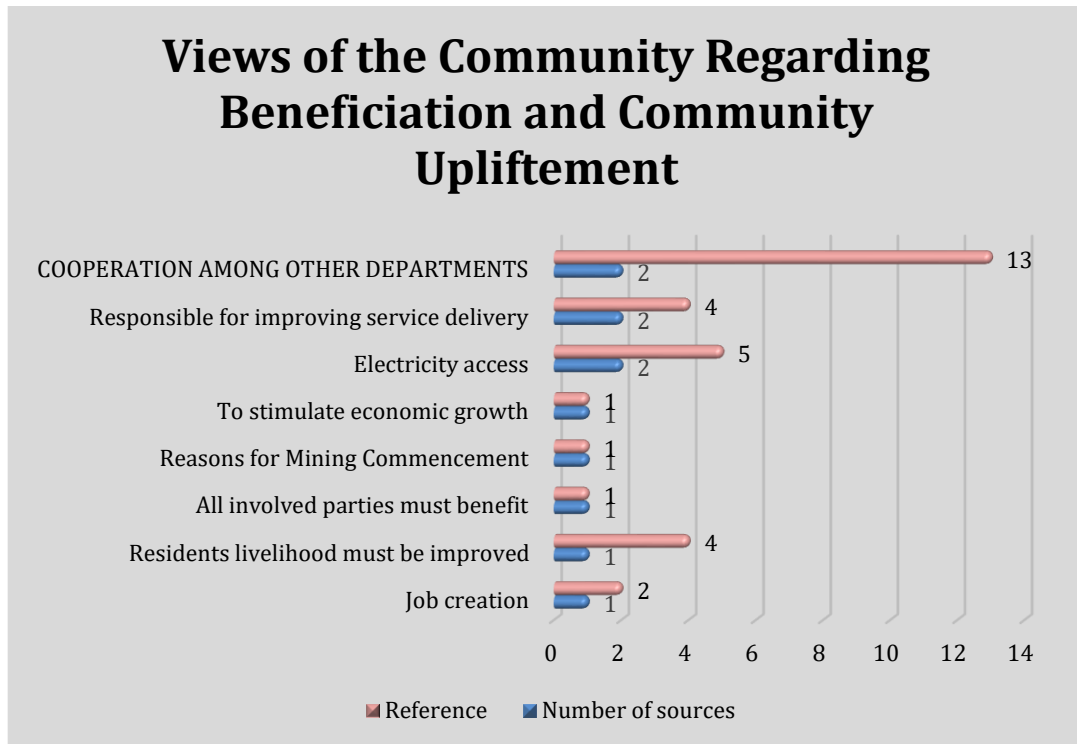


Figure 4.4: Beneficiation and community upliftment

4.4.1 Mine–community cooperation with government departments

The participants have lauded government officials who have visited their communities and approached their leaders with humility to ask to address them as residents whenever new developments are planned in the area. They believe that developments with community involvement have the potential to be sustainable as they would be responding to the community’s needs as opposed to those imposed on them. A participant opined that this is important as it provides a platform for the community to table their opinions and increase buy-in:

I have witnessed that when government officials are here, they come to our chief and inform him they are here and would like to address his members of the community. They are not the kind of people who arrive and force their way; they follow community protocol and consult relevant community leadership structures.

NB: all Italics represent direct quotes from the focus group discussion

Furthermore, they noted that if the mine needs to communicate anything to the community, it always ensures that elected community representatives are briefed and then mandated to relay the communique to the community. The mine, therefore, involves local committees in the work they do, as indicated in the following utterance:

From my end, I have seen that when the mine has issues they want to sort out concerning the community, they call the committee, the Local Government Counsellor and the Community Leader, who are locally from here. When those people have been called, they invite us once they return from the meeting and tell us what the mine said. The example was when we wanted a dam for irrigation and animal drinking; the Counsellor ensured that the dam was constructed.

Conversely, the participants highlighted that their Chief does not always exercise democratic leadership and that, at times, he can be observed to have favouritism:

Can I address the issue of the chief? It may seem as if we work well alongside him, but that is not entirely the case. Without bringing up issues from the past, recently, some things happened that support that he applies a divide-and-rule principle. The recent example we could mention as proof is where he selectively chose the majority of the participants in this study at the exclusion of others. Had it not been because you clarified the selection criteria, some of us would not have been considered because we are not in his good books. Sometimes you would find that we believe we are all his subjects as the community, but we find that he has favourites.

One participant elaborated further by giving an example where the Chief had denied a community member the opportunity to work at the mine:

The Committee would say that the community should have a say in how the Committee selects people to be hired temporarily in the mine. When the message reaches him that the mine has opportunities, you will find that the chief takes his favourites without involving the Committee. For example, the mine wanted someone, and the chief said that that person would never go there. I do not remember whom he was talking to, but it sounded like it was the Counsellor. When the Counsellor suggested a certain person, the chief disagreed and said that person would never go there. Fortunately, the person they discussed overheard them saying he would never go work there.

The participants noted that the cooperation of the mine and willingness to uphold the promises made to the community was shaky in the sense that they were no longer seen as trustworthy, which had now degraded their relationship with the community:

Sir, as the community here, we cooperated well with the mine. Then, the mine started falling short of its promises. At other times they would ask for more land because they would say their space is too small, and in return, they will do this and that. Moreover, we would agree under the goodwill of knowing we are neighbours, and we should work together. However, you would find the mine now holding

up their end. The mine is untrustworthy and does not deliver, and it seems we are at odds with it.

4.4.2 All parties involved must benefit

The participants affirmed that all involved parties in this mining endeavour should reap the benefits. The participants claimed that mining firms had not done enough to guarantee that the communities in their areas benefited from their presence. Sadly, even unskilled labour come from outside the mining location. They argue that the position of the Lihobong Mining Company on recruitment disempowers them and upholds the status quo as it existed when they first arrived:

Yes. When one benefits, we must all benefit.

4.4.3 Residents' livelihoods must be improved

Furthermore, the participants emphasised the fact that the livelihoods of the residents in the mining community must be improved:

It must improve the livelihoods of the people who are near the mine.

4.4.4 Access to electricity

The participants lamented that they would want to be provided with electricity. They noted the importance of electricity for cooking, providing light and supporting local business growth. They further argued that the provision of mere streetlights would have a positive impact on them as a community:

You know what I would say? Why doesn't the mine working with the local government give us even one apollo light, so we have some light at the very least? We ask that they connect us from their substation and spread it over the community. We are not asking for electricity at every household—just one apollo light.

4.4.5 Job creation

The participants noted that the mine must employ the community to improve the community's livelihoods:

It must improve the livelihoods of the people near the mine.

To my understanding, mining would create employment opportunities so that the residents have a way to support their lives.

4.4.6 Reasons for mining establishment in the area

In response to a question about their understanding of the primary purpose of the mining operation in their community, the participants held the view that the mine was established in their community so that it could stimulate economic growth:

It is for our benefit and our livelihoods.

4.4.7 Responsible for improving service delivery

Further to the economic growth response above, the participants considered that the mine is responsible for improving service delivery in their communities:

When the mine comes to the community, I am making an example with Liqhobong. It is here to mine, right? Furthermore, it is going to take resources. Our understanding as the community is that the mine should leave us with something. So, even after it has gone, we can say we have benefited because a mine was operating in our location.

4.4.8 Training and additional assistance to be offered to residents

The participants expressed that they want the generational development of their families as a result of the mining efforts in their community. It was explained that the mine is expected to employ young people in the community when there are vacancies in the mine. The mine should essentially assist community members in sustaining themselves:

The mine can help improve our lives sustainably by training the youth of our community in trades or skills required by the mine to prepare for whenever there are vacancies. Over and above, the mine should establish a fund to finance scholarships for youth in this community to further their studies at universities and provide internships for the graduates. That is how our children will learn the trade of business. They say they want people with experience; where do they get the experience if the mine is not levelling the ground for them? There is no other place other than the mine.

The community expects the mine to assist them in starting sustainable projects that will shield them against the adverse effects of climate change and economic decline:

The mine should help us start sustainable projects that will keep providing for us even if something like Covid-19 were to hit. If we have a means of financing such projects, I feel life will be able to go on.

They should help during the season of sowing. They could supply us with seeds.

Moreover, there is an impression that the mine should ensure that the community members are empowered. The participants mentioned that skills development is part of what they requested from the mine, but they have not seen any initiative from the company:

They could send others to school to learn more about mining or give them other options, which could be materials that they mine require for them to supply because that is how they'll be sustaining themselves to help the mine.

The participants urged the mine to empower them and ensure that they outsource locally the inputs or materials they need to run the mine. According to the participants, the mine should also ensure that they provide them with broilers for those who want to pursue chicken farming. Furthermore, the community expects the mine to buy livestock to sustain them, as their source of livelihood is mainly agribusiness, as indicated in the following comments:

They should not waste their petrol by going far when they could just come here.

At times, I am someone who wants to rear chicken and sell to the community.

In addition to the livestock, I expect the mine to help us with buying those things like green leafy vegetables and potatoes from the community.

4.5 Impact of mining on the community

With reference to the positive and the negative changes, the participants were asked to describe how the mine had changed their lives since its establishment in their community. The question further requested the participants to mention any types of positive and negative developments that had come about as a result of the presence of the mine in their area.

The illustration in Figure 4.5 indicates that participants' views leaned more towards the negative impacts of mining in communities, where 77 references or extracts in relation to the negative impact was observed and the least to the positive impact, with 16 references extracted from three groups. The researcher could also sense

emotional gratification by some participants owing to the establishment of the mine operations in their location.

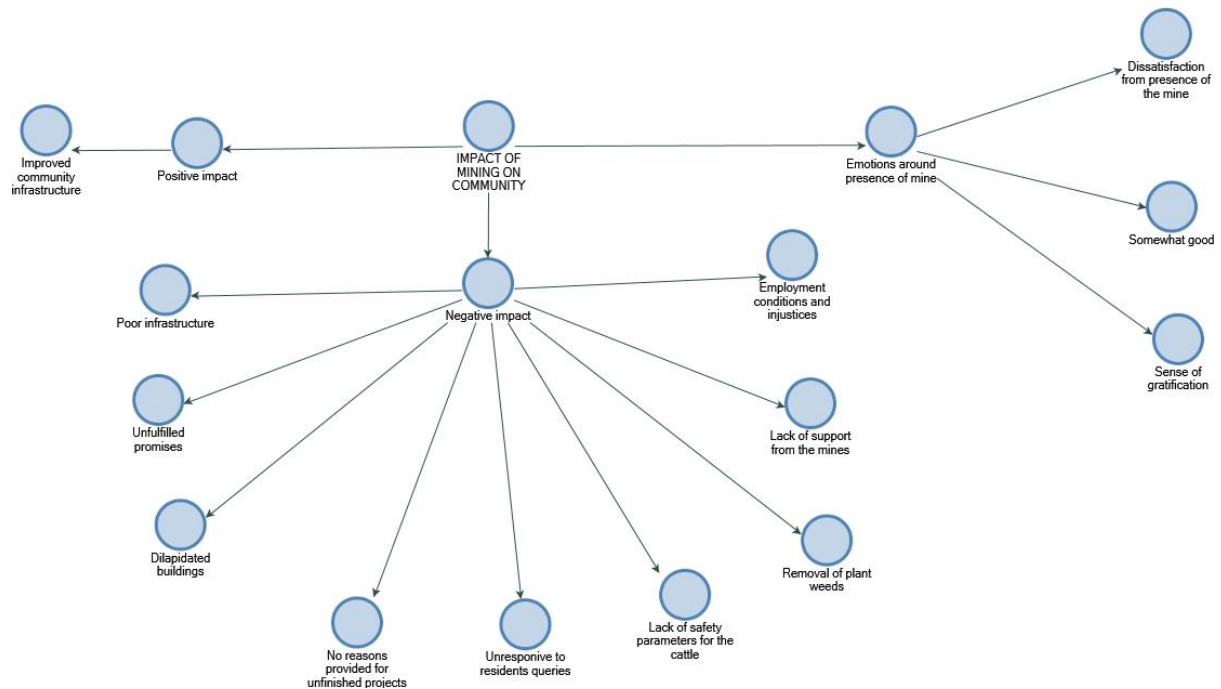


Figure 4.5: Impacts of mining on the community

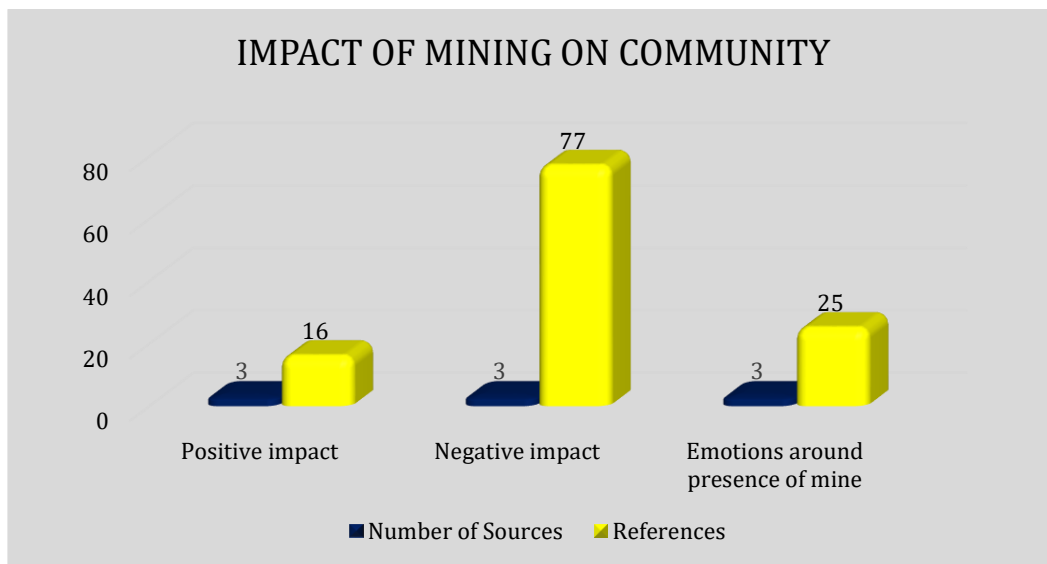


Figure 4.6: Relations between mining firms and communities

4.5.1 Emotions around the presence of the mine in the community

The community’s perception of the mining activities in the Liqhobong community was tested; therefore, the participants were asked to describe how they felt about the role

played by the mine in their life. Furthermore, the participants were requested to indicate their benefits from the mine being in their community. The locals disapprove of mining operations in the area. The relations between mining firms and communities appear to be tenuous and unprofitable, as depicted in Figure 4.6. Consequently, the mining operations are generally seen in a negative light.

4.5.2 Participants' sense of gratification

As supported by the literature in the second chapter of this study, across the world, mining plays a significant role in communities. Community members always have something to say, either positive or negative, about the establishment of mining operations in their community. The participants were asked how they felt about the mining that was taking place in their community. The community members seemed to have mixed emotions that ranged from positive to negative. The participants indicated a sense of gratification from some community members merely because it created jobs for them as a community:

We are proud to have the presence of the mine because its existence purposefully serves us to work, for us to work for our families.

The participants from the different groups shared a similar sentiment:

We feel incredibly proud.

Because we can work.

4.5.3 Dissatisfaction with the presence of the mine

Notably, some people in the community have been suffering since the mine started mining there. However, the participants seemed to show more dissatisfaction compared to the ones in the first group. Their discontent is rooted in the idea that the mine has brought more harm than good to the community, and they feel that this mine has been to the community's disadvantage:

It has brought poverty upon us.

That is true. Its presence has brought poverty upon us.

It appears that the community uses wood from shrubs that grow from the nearby mountains as a source of energy for cooking and warming their homes during cold

weather. To substantiate their assertion, a participant gave an example to support what they mean and how they are left struggling:

We no longer have a place to find firewood. We used to stock it up from the mine parameters. We are left helpless since the mine acquired a mining lease in our area because the area where we used to source firewood is now enclosed.

They also mentioned hunger in the community, highlighting that the residents are hungry and cannot afford things they used to before the mine started in the area. It appeared that the community practised artisanal mining before the government secured the place and commercialised it, as indicated by the following utterances:

It is not just food; it is also the fact that we cannot even afford things like clothes. "We lived much better before the mine.

We knew that whenever someone passed by selling clothes, we would tell them to wait a bit, and we would go in the mine and mine for ourselves, find diamond needed by the potential buyer from the black market and be able to buy clothes. Our kids would be able to have clothes.

A sense of mistrust emerges from the mine. The participants argued that when items or pieces of equipment were missing in the mine, the community members are always blamed. They further lamented that cases are never resolved even after discovering that the community members are not responsible for theft in the mine. There has never been a time when the mine returned to update them on the outcomes of their investigation, as opined below:

The mine either does not trust us or thinks we are thieves because they often say things are missing from the mine. When those things are missing, they look for them within the community. They do not look elsewhere. Sometimes, we believe they are doing these mischievously to get at the community without justification while the thieves are the mine employees. For example, what would I do with their heavy machinery without electricity in the community? How would I take it out with all their security? Moreover, if they accuse someone here of anything, they end up banning the person from entering the mine even though there are many thieves from Maseru among the employees, whom they never accuse.

According to the participants, the mine benefits more than the community as the mine reaps the benefits of the diamonds and then leaves without developing the community.

It seems that a few other mining companies had arrived before the current company and that there was nothing that the community could show from all these companies except that their natural resources are no longer beneficial to them. Furthermore, they do not even offer community members proper jobs in the mine, with even those who seem to be more educated than others being given jobs that do not match their academic qualifications. They, therefore, do not have the means to develop the skills required in the mine so that they can find better jobs in the future, as lamented below:

I have not seen anything. They take diamonds and leave.

We have seen different mining companies come and go over the years; they take turns.

Children who completed matric are still taken to housekeeping to do laundry, not kitchens. However, those with matric from outside this community get better jobs, but our children are kept in housekeeping.

4.5.4 Participants expressed that they are partly happy with the operation

At the time of conducting the focus group, the mine had temporarily suspended operations due to Covid-19. Only a few contingents of employees remained for care and maintenance. The researcher noted that other participants felt that despite all the negative emotions attached to the operation, the temporary suspension of operations somehow indicated that when operations were ongoing, there was hope for the better, as indicated by the following comment:

There is some good coming if the mine is operating. However, we cannot sustain the good, and we foresee the mine closing as it has been the case several times before; it would be better if it opened uninterrupted for at least three or four years.

4.5.5 Positive impact of the mine on the community

4.5.5.1 Improved community infrastructure

Seemingly, the mine also did well in the community as the participants mentioned how some of the infrastructure in the community had been improved for the betterment of the community. This was a positive impact according to the participants, mentioning some things the mine had done for the community. Some of these include the construction of water bridges in the community that seemed to benefit children on their way to school, which are still in good condition:

Another one is the bridge they built for the school kids to cross when they go to school, which is still in good condition.

Furthermore, one of the participants mentioned that despite negative perceptions associated with the mine, it is important to acknowledge and recognise when the mine has done well. The fact that they built a school in the community and children are at the very least awarded the privilege of access to education:

From my perspective, the presence of the mine has tried to uplift the community, even if it's just a few residents. Even if it was on a small scale, lives changed. The quality of resettlement houses built, for example. Another thing that happened is that many kids got to go to school when their parents were at work because of the school built by the mine. Another thing could be the money they gave because it has honestly set us apart from other communities.

One participant also mentioned the safety of the children in the school and identified it as something positive done by the mine in the community:

I would like to express my feelings and say perhaps the school constructed is permanent; whether it is cold or warm, there is never an instance where parents complain about the kids being cold; they are always safe.

Another participant showed gratitude towards the mine for building toilets in the community and the school:

We had no toilets and did not have a preschool school in our community. We can honestly say that the mine has helped us with those things; we can honestly appreciate.

On the other hand, other participants chose to acknowledge a good job, mentioning that they were not too satisfied with the work done by the mine regarding the toilets:

The mine gave us toilets even though they aren't complete.

The mine improved the water; on top of improving the water, the mine tried to improve the water taps and toilets. The toilets they constructed were not to the specification agreed upon with the mine. We had wanted brick and mortar toilets, but they made corrugated metal toilets that were already tearing apart.

The community also acknowledged that the mine further provided the community with water taps. Accordingly, the participants felt it to be one of the most significant

improvements done by the mine as the residents of these communities did not have water before the current mine started its operations. They mentioned that they relied on water from unprotected springs far from the village:

We cannot ignore the improvements that the mine brought about. We can confidently mention that the mine has helped us with water. We had no source of water. We used to collect water at an open source where the cows drink.

Another participant indicated that the taps are up to standard, insinuating that the community is pleased with them:

The taps are fine; they are to the standard expected by the community.

4.5.6 Negative impact of the mine on the community

4.5.6.1 Dilapidated houses

The residents complain that the mine was doing more harm than good as mining in the community caused a problem for their houses, and that the blasting played a significant role in some houses falling apart. Most of the participants mentioned that their houses had been collapsing ever since the operations started, particularly blasting by the mine in the community. Maybe this could be attributed to the idea that the houses are old; however, the residents want to believe that the only reason they have this problem is that they are mining in the community:

So, our houses are still falling.

I am going to add to that. It is true that when they blast, our houses crumble.

Furthermore, the mine refuses to take responsibility for dilapidated buildings in the community. The church also recently collapsed because of a mining blast in the area:

There are other times I want to add that a church building in Moteetee collapsed. When the complaint was reported, the mine denied it.

4.5.6.2 Employment conditions and injustices

Any opportunity to upskill and create experience and jobs to better the lives of community members would be an expectation for residents when a new mine is opened in the community. However, in this instance, it seemed that the community had many negative things to say about the mine. First, the idea that the mine requires

people to have a certain number of years' experience even when they are qualified. The community believes that it would also help if the mine offered internships or even gave them junior-level or assistant positions, as suggested by the participants, to build the experience that they require from residents:

To add onto that, sometimes they have positions for Assistants, and those assistants are people who need to be trained. They should always take assistants from here in all jobs to be taught the ropes for a permanent position. They shouldn't look for assistants from other places.

The mine always requires one to have four years' work experience when people are looking for employment. Although it is a good thing as the mine is making sure it is hiring people with the required competencies, it would seem to be disadvantaging those without experience, particularly those from the community. Two participants mentioned this:

Even with a qualification that shows that I graduated, they still want four years experience. That's what the mine usually does.

That's where it becomes disappointing. Most of these youth just come from school with qualifications they won't use because the mine always wants four years experience, and you ask yourself where a youth who has just graduated would have four years of experience from?

When members of the community do not have enough experience, the mine employs outsiders, leading to the residents wanting the mine to close down as they are not benefiting as a community:

They are demanded experience and qualification; and, where do the community get it from?

That is why we say the mine should be shut down because they do not hire the locals.

Furthermore, the mine hires people on fixed-term contracts as compared to giving them full-time employment:

There is no permanence; everything is temporary.

Moreover, where the mine hired someone from the community, there is a lack of recognition. A participant commented that one would not be acknowledged for the work and effort put into the mine:

Right now, I would be called into work, a part-time job with supervisory responsibilities. I would be assigned someone to train, and at the end of the month, when there are opportunities for promotions, I find they are promoting the person I trained. I was dismissed because my contract was temporary, and I had to give space to another community member. This is despite the fact that I would have gained experience from a rotation system of employment the mine adopted under the pretext that they allow everyone to be employed. The mine is unfair.

4.5.6.3 Poor infrastructure constructed

The mine tried to improve already-existing infrastructure in the community. However, it fell victim to not producing quality work as the residents complained about the quality of the bridge, arguing that pressure from the river flow exposed the bridge to unsustainable conditions, making it prone to collapse. It seems as though the mine is no longer maintaining the access road to the community as they had before, which inherently made the impact a lot more negative than positive, considering that they used to maintain it in the past:

There is one road that enters our community, which they were using before they could build the road to the mine and used to maintain it, now they are no longer fixing it. They ruined our road and, after ruining it, they have done nothing to fix it. They are no longer maintaining the road." They've made their own road.

Yes, when the river fills up, it looks like the structure is not stable anymore. There is going to be a time when the bridge collapses. They built it poorly. Moreover, when it is exposed to the pressure of the running water, the bricks twist.

Furthermore, the residents complained that due to the artistry of the bridge, parents are forced to stand by the bridge during heavy rain seasons to ensure their children's safety:

They just did something quick to allow for transportation when the river is full. They are into quick fixes. Parents stand by the bridge to ensure the kids cross safely when the river is full.

Most participants complained that the architecture and works of the bridge were poor, posing a safety problem to the rest of the community. However, a participant argued

that the bridge did not bring a big problem, but a trench that transfers water through this bridge:

No, I think we can agree that the bridge did not bring problems; what brought on issues was the trench constructed from the mountain to divert water to the river through the same bridge.

The residents felt as if the mine had failed them regarding the trench. The trench is proving not to be safe as the participants argued that it affects not only the bridge, but also the road, posing a threat to community members who have to use the road and pass by the bridge:

I wanted to say the mine has failed us with that trench there. "That trench from the mine has washed away the road that connects Liqhobong and Moteetee. One of us here just said we have no road to travel on to the clinic, and truthfully it is because that road is washed away by the water coming from the trench.

4.5.6.4 Unfinished projects without reason

There seemed to be a general complaint among the participants regarding the lack of completion of projects. When the community requested a response about the project, it seems there are no answers or reasons that led to the projects not being completed. In the instance of the toilets, another participant indicated that some toilets were complete, while others were not:

There is something about the toilets that don't sit well with me; how come when the construction was nearing the end, for some, they were complete, and for others, they were not complete? Why is that?"

Another participant reiterated the previous point:

The only improvement there has to do with toilets, but they are incomplete. There are also water taps which are incomplete.

Moreover, the participant requested how best to confront the mine to fulfil their responsibilities, as it is not an easy task to navigate:

I am asking how you can approach them to finish all the incomplete work. That's my only question. How can you approach them to fulfil their promises? Because I believe the matter at hand concerning the mines is a huge one because it's been years of non-delivery on their part.

The participants explained that they were tired of asking as they are never given conducive feedback as to why the projects are not completed:

From the beginning, they have been saying that they are still working on it. They don't give a reason. These matters are energy-draining. We are tired of speaking.

The community complained that the mine never physically answered questions relating to their queries about unfinished and unfulfilled promises:

No, we told the committee that there are instances where the management from the mine needs to be here physically with us.

The residents do not have hope that things will be resolved and believe that the mine has deserted them. They argued that the mine refuses to acknowledge its role in the negative conditions the operation has left the residents in:

You should know we don't know the depths of the matter they left us with, and they deserted us.

4.5.6.5 Community unhappy about unfulfilled promises by the mine

The majority of the participants complained about the mine not fulfilling the promises they had made. The mine seemed to have promised the residents many things, and while they may have done some, they also left residents with incomplete projects. There is no explanation or reason behind this, such as how the participants seemed to be questioning why the mine was taking long to complete relocation, toilets and electricity projects:

I don't know how they operate, but to still be waiting, I don't have the patience to wait as time has passed since the mine promised to come and complete its work. It's been a long while since the mine has been saying it will come to complete the work that was started but never finished.

They mentioned the things they were expecting from the mine, as well as the things promised to them by the mine:

We wanted the mine to assist with access roads to the community, and the toilets, which they left incomplete. You should also know that the mine promised us roads and that there would instal electricity for the community using our compensation fund, but to no success to date.

Furthermore, the residents complained that the mine had resettled some of the community members whose houses were in the mining lease area, but have not given them the things they promised. The mine still says they are going to fix them, but they still have not delivered even after years of promises:

Even within the residents they moved, some were moved without the fulfilment of the things they said they would do.

We have been promised some kind of fencing, but to this day, they have not provided us with any wires.

4.5.6.6 Lack of safety parameters for livestock

The participants commented on the safety parameters of their cattle or the lack thereof. Animals in the community contribute to residents' wealth. Their wealth is decreased if they lose their livestock. Therefore, when no safety parameters are put in place to protect the animals, they are prone to be stuck or trapped in the mine-fenced area:

We should be told when the community's animals go in there. I do not know of anyone who intentionally takes their animals there. Sometimes we lose track of our animals, and other times we do not have shepherds to look after them. Moreover, sometimes we are unaware of the whereabouts of these animals. We do not have ill intentions and let them enter the mine-fenced area. As residents, we are also afraid of our animals going there because they might fall, get trapped, or get stuck in the mud.

4.5.6.7 Removal of access to firewood

At some point in the study, some participants mentioned that the mine brought about a lot of poverty in the community, which could be another reason for reiterating the fact that the mine affected the community's livelihoods negatively. The community argued that what used to be a source of their bread and butter had been taken away from them. They are left to fend for themselves without putting alternative means in place. One participant mentioned that the mine had removed the plants they used for wood that were beneficial for income sustenance in the community:

Before the mine came here, many people here could sustain themselves through brewing local beer, and they would pick up wood from where the mine is now occupying. Now that this wood has been taken, there is nothing left.

Moreover, the participants argued that it is not only the removal of access to firewood, but the water from the road causes damage to the residents' fields, depriving them of growing anything and not having rewards to reap to feed their families:

The issue is when they were building the road. Part of the road lets water through people's fields, which soaks the fields. Other places, such as the Maphelele fields, those fields cannot grow anything because the water has brought in rocks from the hill and covered the land. The owners do not reap anything when they sow. There is no resolution when the matter is presented to the mine authorities. They gave people 100 Maluti in compensation, which is nothing compared to when we harvest the produce and sell surplus while using some at home as a staple food.

4.5.6.8 The mine unresponsive to residents' queries

In addition to the unfulfilled promises made by the mine, it would seem that they are also very slow to respond to the queries made by the community. One participant said that they continuously take time to resolve queries from the community:

When things are broken, they take a long time to fix them or they refuse to repair them.

Moreover, the residents do not understand why the mine refuses to meet with them to discuss how best to solve the problems that they are currently experiencing:

Yes, sir, we want those people to come so we can discuss matters with them, but they refuse to come.

The community members want the mine to take accountability for their actions or the ripple effect of mining in the community. This includes fixing infrastructure that were damaged by the operations of the mine:

Another thing is the houses affected by the mine's construction. Others concaved; others had their ceilings fall in. Moreover, on top of that, they only repair Mr XX's one. Furthermore, they said it was their obligation to repair anything they were instructed to. My house has not been repaired at all; it just stayed like that.

Honestly, I am not happy with the water. Where I live, when it rains, the water travels down the valley, and when the river is full, the water enters the house and the kraal for my cattle. Moreover, when you tell the chief, he keeps saying they will come to check, and to this day, they have not.

In addition, it would seem that the mine provided the community with things they initially did not ask for and, in turn, are now faced with a situation where there are no responses as to why they were provided with things they did not ask for:

They did not complete constructing their low-quality toilets for the community. I believe they were made only for the smaller community population, and the rest has not received anything. We are asking for the toilets to be completed. We asked for the ceramic and brick toilets, not what the mine delivered.

4.5.6.9 General lack of support from the mines

The mine seemingly misled the residents as it would seem that they promised the community quite a number of things than they delivered. In the beginning, possibly to gain trust from the community, but not completing the work and leaving the residents stranded:

It's their strategy; we know it. The mine made us produce fresh vegetables to supply them to feed its employees. But the mine no longer makes means for it to continue. It was only sustained in the beginning and ended there. There are still people with produce from their gardens and fields, but because the mine no longer cares for that, it no longer has a helping hand, as was the case in the beginning. That's what's going on. It no longer helps.

One participant said that there are no existing projects in the community that they can say the mine supports them with. This shows that the mine is not working with members of the community on sustainable projects:

No sir, in our community, there is no such project supported by the mines at all.

The participants mentioned that the mine does not allow workers to leave the mine to purchase supplies from the community to give them an income; instead, they are taking away their means of livelihood by opening a tuckshop and a bar inside the mine. They argue that this significantly reduces the people's income in the community even though the workers kept complaining about the high prices inside:

One is only allowed to leave the mine when they go home, so you can see there is no revenue that we are receiving.

Furthermore, another participant mentioned an instance where it looked like the mine was allowing them to sell eggs to the mine, which looked like a front as they would still come back and take the things:

The eggs are taken from one of us. The reason it stopped is that the way they handle matters is discouraging. For example, if they choose potatoes, if you had planned to give ten bags, they'll come and take two bags after an unknown time to the point where you start believing that they have a main supplier somewhere else and yours are just a gesture.

4.6 Role played by community leaders/committee

In this section, an inquiry was made into the accessibility of the mining leadership to the community and what role community leaders play in ensuring that the communities' views are heard. In general, most participants gave various answers about how approachable the management of the mining businesses was. Only a small percentage of the participants claimed to have access to them.



Figure 4.7: Role played by the community to ensure requests reach the mine

4.6.1 Community leaders act as mediators

From the data analysis process, the participants referenced the role of community leaders and committee members. They noted that community leaders act as mediators between mine officials and the community and that the community conveys questions to the committee via a written document:

Truly speaking, the committee takes our feedback and brings the communication back to us.

As a community, we instruct the committee to deliver our issues to the mine via written communication.

When the committee gives us feedback, we do not just verbally instruct them. They create a document in writing to take to the mine until we have feedback, and it returns to us.

The responses above show that, despite the difficulty of reaching the mining leadership by the community, as indicated earlier, an effective institutional arrangement exists between the communities and the mine that aids in overcoming this difficulty.

4.7 Participants' views on how the mine can improve the community

The participants articulated their needs regarding how the mine could assist the community. The diagram below illustrates the requested priority needs of the community that require the attention of the mine officials.

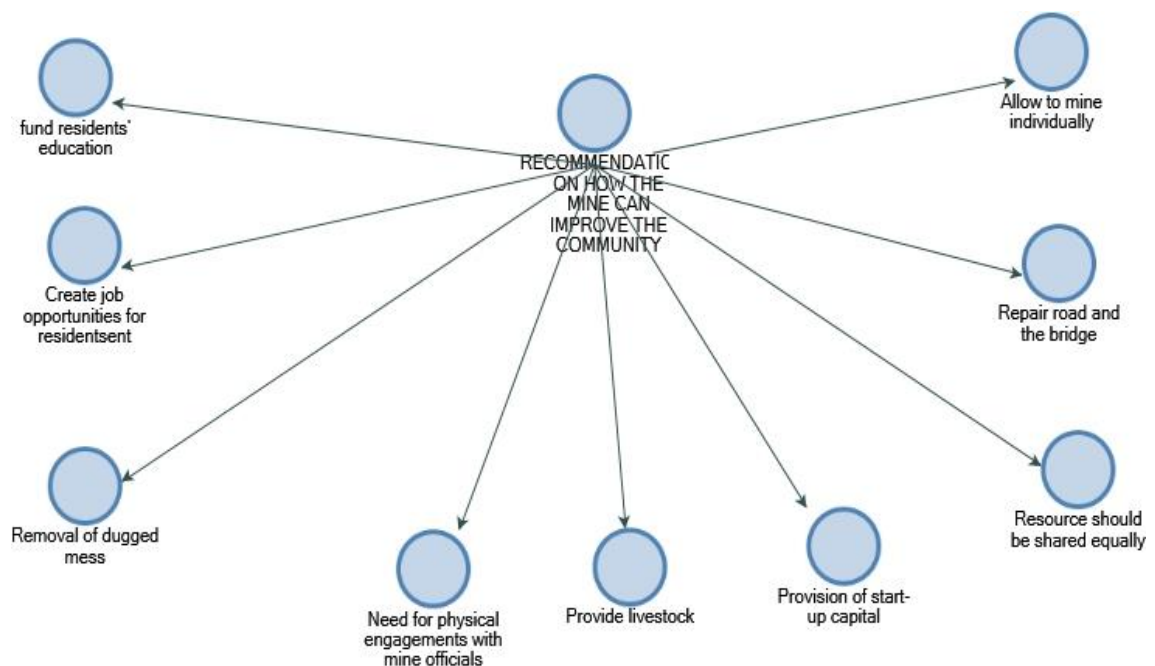


Figure 4.8: Views on how the mine can improve the community



Figure 4.9: Recommendations on how the mine can improve the community

As illustrated in the chart in Figure 4.9 above, 10 references were made to the resources subcategory that should be shared equally; the least discussed theme was removing the holes dug in residents’ yards.

4.7.1 Allow to mine individually

Other participants complained about the mine to the extent that they suggested it should be shut down so that they could mine independently:

If the government can close this mine down and let us mine independently.

4.7.2 Fix the bridge and the road

One of the community members’ complaints was that their entrance road is inadequate. They noted that this is the main road that allows them to access medical facilities, schools and the city. They complained that the road is hazardous and makes it difficult to reach their desired destinations. Therefore, they request that the mine rectify the issue for them:

I feel like if the mine were to help us by repairing the road that enters our community, we do not have a road into the community. This creates problems when we need to travel to town or come back. We need to get off up there. Furthermore, it is not safe for a woman to get off up there at midnight.

They also emphasised the need to repair the bridge as, during rainy days, the water under the bridge spills onto the roads, making it difficult for them to access certain locations:

Another thing is, we need the mine to repair Malibamats'o bridge for us.

Out of everything, the last thing is about the trenches that spill water. These trenches ruin the roads; the worst part is the road we use to get to the doctors and the school. A lot of water is collected when it rains, but we fear for our children and our lives when it rains heavily. They have redirected the water to where they can stop it with dams and drain it, but it makes it dangerous.

4.7.3 Need for physical engagements with mine officials

The participants expressed that relaying their questions to committee members is insufficient. They emphasised the need for physical interactions with mine officials, implying that these interactions will provide the mine with a clear understanding of the life experiences or community situation:

Yes. We need the mine to come to us so we can deliberate on matters of community concern.

When you try talking to someone who cannot see your face, they become brave in the commitments they make; I will do this, I will do that.

Truthfully speaking, for these people to serve us well, they need to be present among us so we can resolve matters here and there. Because sometimes, we may have a dispute here, or they have a dispute, but they do not meet with us anymore. When they are here, we can deliberate together.

4.7.4 Create job opportunities for residents

Unemployment is one of the primary causes of lament among community members. They suggested that the mine should generate more employment opportunities so that they could support their families:

Okay, perhaps as a community, our only request to the mine is for them to send people to school or employ them.

We ask for them to empathize with us and let us be employed in more numbers.

I would like to emphasise the point about the mine supporting our projects the most so we can sustain ourselves in their absence.

One of the participants indicated that the mere reason they were struggling to be offered jobs was the fact that they lack the necessary qualification(s). In this regard, they plead with the mine officials to offer them jobs regardless as a steppingstone towards gaining experience:

Actually, many people do not have the right qualifications to get employment. That is why I suggest we be given employment to gain employment experience. We can't be hired now. We don't qualify.

4.7.5 Preference should be given to the community

The participants opined that the mine's host community should receive priority in terms of benefit distribution. In addition, they indicated that while they should be given priority, everyone should have an equal chance:

When part-time jobs arise, priority should be given to the community first.

It could be inferred that the abovementioned concerns stem from mine officials' deception. The participants stated that, since the inception of the mine, they had been promised numerous things, including the creation of jobs, but that no progress had been made to date:

When the mine arrived, it showed that it would take the members of the community and work with us. But as time progresses, I swear to God, there aren't even ten people who have worked there full time.

4.7.6 The mine should provide livestock to the community

The analysis also identified the provision of livestock as a pressing need among community members. They emphasised that, as a result of the livestock, they will be able to sustain themselves and run community projects:

I believe perhaps the mine could buy some livestock, horses, and cows for people who have land.

Perhaps we can be helped with projects because if there are projects, even when the mine is closed, they would be operating, sustaining us.

It could be projects about sheep and goats rearing in order to harvest wool and mohair.

4.7.7 The mine should provide the community start-up capital

To ensure that community members are empowered, the participants requested that the mine provides them with capital to start their businesses. In particular, agribusinesses, especially considering that the population in the area where the mine is located is more interested in agriculture:

The matter that participant 3 brought up could be our way of upliftment as a community should the mine give us something like funding.

Furthermore, we need training that is supported financially by the mine.

4.7.8 The mine should fund residents' education

The participants stressed the need for ways to enhance their ability to maintain themselves in the long run. They alluded that the mine officials should fund their education:

The plan would need to include an agreement that perhaps the mining could take us, in particular youths, through school so that when a time like Covid-19 strikes again, we can still sustain ourselves.

4.7.9 The mine should remove holes dug in residents' yards

The inability of mine officials to respond to the participants' questions is one of the most common complaints about the mine from the participants. For instance, one participant mentioned that she had complained to them about the holes they had dug in her yard, making it difficult for her to plant. She stated that she had lost track of the times she had requested assistance in this matter. They only made empty promises to her. To date, nothing has been accomplished:

I don't need much; I just need them to remove whatever they dug up by my house. Since they've dug there, they have dug a well for me. I can't plant anything anymore.

4.8 Interpretation of results

The study was aimed at learning more about how the mining business operating in the Liqhobong community contributes to the mining communities' socio-economic conditions. The results of this study are discussed in this part and organised thematically in connection to the objectives of the project.

4.8.1 Mining impact on livelihoods

In this section, the positive and negative changes in the community's livelihood activities due to the mining activities in their area are identified:

Positive:

- Some obtained temporary employment at the mine
- Some residents were offered long-term work at the mine
- Some mention having intensified their remaining agricultural cultivation (with irrigation and other improved methods)
- Invested in more livestock (cattle, sheep and goats)
- Invested in starting a new small livestock production business (chickens, pigs, etc.)
- Joined one or more cooperatives to improve our livelihoods and access to credits, inputs and markets
- Started a shop
- Started new other types of business

Negative:

Impact on traditional rural subsistence livelihoods linked to the following:

- Loss of cropland: Compensation based on maize did not take into account the use of land for other crops, such as potatoes, peas, pumpkin, cabbage.
- Loss of pastureland: Compensation paid for communal pasture/grazing. Reduced area available for livestock and increased pressure on remaining areas.
- Loss of cash crops, specifically dagga, not covered by compensation.
- Loss of woodlots along river courses: A once-off compensation was paid, but a key source of energy for cooking and heating was lost.
- Loss of mining rights by the community meant a loss of household income.

Generally, the impact on livelihoods has not been addressed adequately by compensation and, therefore, it was worse off than before the mine was established.

4.8.2 Communication and information dissemination by the mining company

Although the mining corporation has a mechanism in place to address community complaints through a Community Committee, it was discovered that effective communication is still missing. The participants claimed that the mine's interactions with the community are strained because the mining management is inaccessible to them. It is crucial to remember that communities depend on excellent communication from all service providers (Leonard 2019:36); hence, mining businesses must ensure that timely information about any topic of interest to the communities is shared. Consumers (in this example, community members) have always preferred communication and information transmission methods, according to an argument by Markovic and Salamzadeh (2018:15). Face-to-face gatherings and community dialogues, among other forms of communication, are typically preferred ways for this group.

The majority of the participants in this study favoured meeting with the mining management face to face. The mining businesses must enhance their communication efforts as the majority of the participants in the study had unfavourable encounters with them. Additionally, the company should promote frequent communication with the communities. Furthermore, most research participants said they would prefer to regularly learn about the mines and their achievements in uplifting communities' socio-economic conditions.

4.8.3 Mining companies' performances in relation to community upliftment

The majority of the study participants expressed unhappiness with mining corporation and their performance to date and noted the following difficulties as threats to this performance:

- A general lack of consultation: The participants said that they are never included in the planning process except through the committee and are never notified of any development plans involving their communities.

- Management of mining business is inaccessible: In some cases, communities made a proactive effort to involve mining corporation in the discussion of their plans, but the leadership of the company either was not ready or made it impossible to interact with them.
- Unfinished infrastructure development: The participants here referred to cases where mining corporation began certain infrastructure projects but disappeared before finishing the projects, such as housing, toilets and water taps projects.
- The argument here focused on the need for mining communities to have the necessary skills that the mining firms demand in order for them to be employable and given first preference before labour can be sourced from elsewhere. In addition, the mines should teach the locals many skills other than mining-related ones so that they would still be able to support themselves after the mine closes.
- Weak public involvement in local community development procedures: It became clear that the impacted communities are not appropriately consulted about the developments taking place in their location. These communities consequently miss out on the advantages of serving as home to mining company.
- Unsustainable alliances between mining company, local government, and communities: Integrated development assists in maximising resources and establishing initiatives that have a big impact. In many areas, the type of development occurring is not integrated. The community, local government, and miners are not collaborating to create development plans to maximise the existing resources. Because the community members who benefit from development typically do not buy in, this usually has a detrimental effect on the sustainability of the projects. The management of the mining corporation must seriously consider these community members' worries in order to enhance their connection with them. Improving this relationship is essential for the long-term success of the mining industry in the study area; otherwise, the businesses run the risk of losing a sizable amount of money owing to social unrest brought on by the communities' discontent. The work ethics of the mining businesses'

employees also need to be improved. Being unavailable generates bad press, which could eventually harm the reputation of the mining industry.

According to the participants of the study, the following are some elements that might foster improved interactions between mining firms and locals:

- A commitment to the development of the study area's infrastructure; regular communication between the community and mining company; creation of efficient beneficiation plans and systems that operate through established channels; dependability in terms of consistency in how they conduct business in the area; quick turnaround times and prompt responses to community complaints or concerns; and timely handling of infrastructure project delays.

4.8.4 Mining companies' relationship with local communities

The participants' observations of their day-to-day realities in terms of socio-economic growth served as the foundation for these claims. The findings of the study indicate that the interactions of the mining firm with the local government are not very good. Since mining companies began operating in the area, nothing major has changed, and relations between the two appear to be tense, with the community members suffering as a result. Additionally strained are the bonds that bind the community council and the villages. According to the vast majority of participants, communities are relegated to the background by mining firm relationships with local government and the area chief. According to some participants, even local government bureaucrats are unreachable, which supports the community members' elevated levels of unhappiness at the time this study was conducted. For development to occur authentically, it is in the mining firm's best interests to improve its relationship with the community and local authorities.

4.9 Conclusion

The main quality that sets mining-led growth apart is its inability to meet community expectations effectively. An in-depth discussion of the study findings has been provided in this chapter. According to the findings, there is potential for improvement, and corporate commitment from mining firms is essential to ensure a balance is reached between their demands and those of the communities. The potential rewards

from funding such initiatives promise to strengthen development programs in the mining area. The long-term sustainability of the mining company may be unlocked by the capacity to handle the developmental issues impeding effective linkages between the mining corporation and the people they should serve.

In order to achieve sustainable, inclusive, and mutually beneficial mining, the stakeholders should pursue the recommendations made in the following chapter, which focuses on certain themes.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study was aimed at analysing the socio-economic impact of mining on the livelihoods of the Liqhobong communities. The main goal of the research was to understand how mining operations affect the livelihoods of the local communities where they operate. The underlying assumption of this study was that although mining operations are regulated to ensure that they contribute significantly to improving the socio-economic circumstances of the communities in which they operate, there is little evidence that this mandate has been carried out in the Liqhobong community.

As a result, the following objectives served as the guiding principles of the study:

- To identify socio-economic activities that are influenced significantly by mining operations;
- To evaluate whether the mining communities are benefiting socio-economically from the current mining operations; and
- To explore the extent to which the LMDC is committed to the sustainability of socio-economic development projects in Liqhobong communities.

The responses of the mining communities in the Liqhobong Village in the Butha-Buthe district served as the basis for the conclusion of this study.

5.2 Conclusions

The conclusions drawn here are cognisant of the importance of mining and minerals for daily life, both historically and currently, and the need for sustainable development. This is to ensure that present and future generations can share in the benefits that mining activities now produce, while minimising adverse socio-economic effects.

In this study, the need is emphasised and recognised for national and local governments to lead in developing a policy and regulatory environment to improve the contribution of mining to sustainable development in the areas where they are

allocated mining rights. Moreover, the industry must be educated about their need to be active participants in discussions about issues affecting the communities where they operate.

The need for the incorporation of mining communities and local government intervention to manage better mining issues concerning the sustainable development of the mining industry is emphasised in this study. This is done while keeping in mind the relevant and fruitful work done at the local level by government, the mining company, NGOs, and others to promote the contribution of mining to sustainable development.

In the study, it was discovered that (i) the Liqhobong mine has not built a significant infrastructure for development that has significantly impacted communities' socio-economic conditions; (ii) the relationship between the Liqhobong mine and the communities has not been beneficial, with there still being waves of attrition between them; (iii) the socio-economic conditions of communities nearby where mining activities occur have not improved noticeably; and (iv) public participation in mining-led development has not increased. It is reported that the Liqhobong mine hired labourers from outside the mining community; however, as a business entity situated in a community that needs improvement, attention should be given to improving the welfare of its hosts. In addition to strengthening the bond between the mining company and the host communities, the corporate social investment approach would lay the groundwork for the long-term viability of the company.

Liqhobong households experienced positive and negative effects from the mining business. Families were compelled to give up agriculture due to mining activities, which rendered some residents' fields unusable and cut off their source of income. Additionally, mining-related employment income and income from sales of their agro products generated more revenue for some families than agriculture.

Despite the voluntary contribution of the mine to the development of the community, no law in Lesotho mandates mining companies to contribute a share of their profit to community development. Senior management and the boards of directors of the

mining companies are solely responsible for determining how much money will be allocated for community support. Government policymakers may find the study valuable in creating strategies that consider the positive and negative effects of the mining sector on the social and economic aspects of the households in the areas.

According to the findings, the mining business could significantly improve the socio-economic circumstances in the mining village. However, it can be concluded that the mining cannot sustain the livelihoods of the area's households after its commencement.

Given these conclusions, recommendations are provided in the following section.

5.3 Recommendations

To address the eminent shortfalls concerning the contribution of Liqhobong to the socio-economic improvement of the communities, recommendations guided by the objectives and outcomes of the study are explored in this section of the study report.

5.3.1 Enhancing the socio-economic conditions of the communities where they operate should be the top priority of a mining company

One of the main objectives of the Lesotho Mining Policy is to promote employment and improve the socio-economic well-being of mine villages as the main labour-attracting areas. In light of this, it is suggested that mining companies prioritise the mining community's socio-economic improvements.

The complex corporate environment in which mining firms operate necessitates attention to the socio-economic circumstances of the communities in which they operate. In a sense, this realisation gives them the permission to operate efficiently and profitably in those areas over a long period. When this social capital is not developed, social demonstrations become the norm and have a negative impact on the operations of enterprises, which, in turn, lowers productivity and eventually, profits.

Therefore, greater stakeholder participation in industrial processes is required if corporations are to align their corporate objectives with the expectations of their

respective communities. Given this operating environment, mining corporations should include socio-economic upliftment in their business plans. The argument is that the mining company is not doing enough given the scope of the socio-economic developmental issues afflicting the communities in which they operate. It is undeniable that the sector contributes significantly to the growth of the economy on a national scale, but the industry needs to do more to address the development difficulties at the local level, which require large financial investments. Although it is understood that it is difficult to measure the advantages emanating from the costs of improving communities' socio-economic standing, the mine should make concerted efforts to improve the community's access to services such as water, sanitation, housing, education and health. These services would go a long way toward assisting the mining firm in obtaining their social operating licences in the locations they select for their operations.

5.3.2 Beneficiation must be community focused

The majority of the respondents to this study expressed general dissatisfaction with the services offered by the mine situated in the study area. This dissatisfaction resulted from a number of factors, including a lack of meaningful participation in the plans and processes for developing their area, the unjust employment of labourers for the mines, and poor communication between the mine management and the community, to name a few. The outcome is a tense and distrustful relationship between the community and the mine management. Additionally, it is believed that the mine employing labourers from outside the mining community was a dishonest and improper labour practice that needed to end. The communities need to be given a fair opportunity to contribute as they are willing to offer their services. While the mining corporation attempted to train community people in some elements of their operations, their relationship suffered greatly from a lack of commitment to carry out plans for the community's skills development.

It was also found that the degree to which the community could benefit from what the mining firms had to offer was limited by bureaucracy in dealing with community issues. The extent to which beneficiation could occur was also limited by other factors, such as the mining management's inadequate communication with communities about

development plans and processes. Instead, their actions reinforced the idea that their businesses were more significant than the community as a host. Considering the obligation of the mining company, as specified in the Mining Policy, the needs and expectations of the community were generally unmet. In light of these findings, it can be concluded that, in accordance with the Mining Policy, the mining companies present in the region should address the issues raised by the locals and strengthen their bonds with them by making sure that they too gain from the presence of the industry. The intention is for them to improve their socio-economic welfare improves.

The mining corporation must comprehend the significance of building and upholding excellent community ties to ensure efficient beneficiation. A stronger foundation would be created that minimises disputes between the mining firm and the community with a greater understanding of these factors. Additionally, it will benefit the mine if channels for open communication with the community are made available. Community complaints will be heard this way and if addressed promptly, they may positively impact how the mine conducts business. Information flow between the community as essential stakeholders and the mine, where there are information asymmetries, beneficiation tends to be hampered and communities become more vulnerable. Beneficial relationships with the community are complicated, multifaceted subjects. It demands proactive responses from the mine that align its advantages with the hopes and needs of communities.

5.3.3 Undertake regular surveys to gauge community satisfaction

The mining firm has systems to monitor its output and financial success, but they do not have systems to evaluate its interactions with the community. Therefore, it is suggested that they give frequent community satisfaction surveys top priority. In order to be thorough enough to include all pertinent points of view, the evaluations should cover every aspect of mining operations and their interactions with the community. It is also suggested that such exercises be conducted frequently. The community will be able to communicate their experiences, worries and suggestions with the management of the mine. This tactical strategy will improve dependability, accountability and trust. Together, the mine, community and other relevant stakeholders, such as local government, can decide on common objectives and

develop plans to achieve them. All parties can ensure increased accountability and beneficiation by sticking to these plans.

5.3.4 Sustainability of mining-induced development in the study area

According to the findings, the modest progress that has been seen in the area cannot continue. The following action points are recommended as being crucial for sustainable mining-led development:

- Hold frequent community discussions to address a range of issues that affect communities deeply and require the mining company to address them. The Mineral Resources Policy of the Government of Lesotho is aimed at ensuring community participation and that they benefit from the proceeds of the natural resources in their area. The only way this could be done is by creating platforms that would allow all parties involved in the mining industry to participate and discuss all mining-related concerns formally.
- Keep promises made about the development of the local infrastructure. The mining companies should evaluate the mining communities' developmental needs and identify projects within the needs analysis for their contribution to community development in line with the integrated development plans of local government.
- Create open and transparent beneficiation plans: The main goal of beneficiation is to use the comparative advantage in mineral resource endowments as a competitive advantage as the driving force behind increased industrialisation in accordance with the development priorities of national government.
- Establish and implement efficient turnaround times for questions and community issues: This item refers to the mining corporation and their practice of good corporate citizenship. The community wants to work with a trustworthy mining firm that honours their commitments to address their issues and developmental requirements.
- Address issues of poor administration that impede socio-economic development in the area, which limits infrastructural growth. Appropriate institutional arrangements should be made to guarantee frequent communication between all mining stakeholders. By regularly communicating

through such forums, everyone will have a shared grasp of all mining-related concerns.

- Address the lack of skills among community members to enable the majority to be employed in the mining industries: The typical practice of the mining company importing labour from outside the immediate area alarmed the mining communities. The mining community believed that hiring workers from outside their villages was an unjust practice. In order to ensure that the members of the community are skilled and able to be absorbed by the mine, it is recommended that the mine should empower the communities by teaching them the skills needed by the mine.
- Ensure that community members are genuinely included in the development planning processes. The mining community complained that they typically understood nothing or very little about the mining operations occurring in their area. Before mining initiatives are implemented or developed, the mining policy promotes a consultative and collaborative process. In other words, the mining firm should work with the mine community to undertake evaluations to ascertain needs. All identified projects should be in line with the community development plans of local government.
- Create and employ information and communication technologies and channels of communication to benefit the mining community. The community demanded empowerment in the information and communication technology field. Communication between the parties will increase as the information and communication technology sector develops, and the community may acquire new skills.
- Intensify collaboration and partnerships with local government, which serves as a steward of community development. As they provide services and play a protective role in maintaining the wellness of the populace, community councils are closest to the people. The degree of confidence is strengthened and communication is improved through cooperation with local councils. In addition, coordinated planning with local councils may make the most of each party's resources and complete important projects.

If used sensitively, these action points have the potential to improve mining-led development results and foster stronger ties between locals and the mining company, assuring long-term sustainability and improving community welfare and quality of life.

5.3.5 Enhance and maintain the current development infrastructure of the mining area

The infrastructure in the mining location needs to be improved desperately. The long-term sustainability of a lucrative mining firm is directly correlated with an effective development infrastructure, reliable transportation and communication networks.

The development of road and communication networks and other auxiliary development infrastructures such as hospitals and educational institutions should be funded. According to the community members interviewed for this study, the current relationship with the local mining corporation is impeding the construction of such infrastructure. As a result, the area is not being underserved by the presence of the mining company, which could lead to conflict between the mine and the locals. The significance of making such an investment in infrastructure development ensures that the community grants the business a social licence to operate there, ensuring the longevity of the business, as well as improving the socio-economic conditions for the current community and their future generations. The mining businesses and the sector should give the need for such advances the attention it deserves.

5.3.6 Participation of the community in development planning processes

The mining enterprise must evaluate projects within the requirements analysis for their contribution to community development in line with integrated development plans, the cost of which should be proportionate to the level of investment.

However, the management of the mining firm takes most decisions exclusively, excluding community opinions from the process, despite most respondents indicating that they are only minimally involved in the planning process. In addition to marginalising the community, this also weakens their positions of power and decreases their capacity to collaborate actively with the mine as equal partners in identifying pressing problems and viable solutions.

5.4 Limitations of the study

Despite presensitising the selected communities to the nature of the project and objectives, most households approached on the day, even though they showed up, refused to participate, citing an ongoing dispute with the Liqhobong Mining Company on unfulfilled promises. This led to one group not participating in the study; hence, only four of the five focus groups were constituted and conducted. According to Table 4.1 above, most participants were females (61%), while males made up 39% of the population under study.

The research was conducted primarily in the mining community. The conclusions and suggestions that emanate from this study would have been more well informed if input had been received from the entire mining community in the area. All the mining stakeholders in the district should be included in future investigations.

A quantitative analysis of important performance indicators must be used to conduct an economic interrogation. The operations of the government and the mining sector, infrastructure investments, community development, and land management, to name a few, might all benefit from this benchmarking. It is difficult to understand the socio-economic impact of mining operations in enhancing the welfare of communities without an empirical quantification.

5.5 Conclusion

This study has added to the amount of empirical work already done on mining companies and their involvement in enhancing the socio-economic circumstances of communities in Lesotho; however, it is not a pioneering study in its field. Although the conclusions to the study cannot be applied to other mining communities across the country, they give insight into the problems the sector is facing. The following areas have been identified to benefit from additional research.

The study is current and pertinent to the current situation in the nation. It is critical to acknowledge the crucial role that mining companies play in the national trade flow and the mounting demand for them to present themselves as socially responsible uplifters of communities. The management of mining corporations must demonstrate

exemplary corporate citizenship in the areas where they do business. As local development participants, they must add value to those communities. They must simultaneously create value for themselves in order to remain in business. Gaining the right to mine in the area depends on them doing this.

In order to maintain strong linkages between the community and the mining company, business processes such as community satisfaction surveys should be conducted regularly. Through such analyses, genuine community dialogues can be developed, allowing mining firms to interact with communities and decide how they will collaborate while managing their own interests and balancing them with those of the communities' needs and interests. In the findings of the study, it was revealed that these evaluations are essential for maintaining business ties with local community partners. It is necessary to make financial investments to support these efforts. Overall, the findings of the study have offered insights that should be investigated further.

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ANNEXURE A: DATA COLLECTION INSTRUMENT – INTERVIEW GUIDE

I. SETTING THE SCENE

- A. (**Establish Rapport**) My name is Kholotsa Moejane, an MBA student of the University of the Free State and former Liqhobong Mining Development Company-employee.
- B. Ask for permission to record and take notes – I am recording the session because I do not want to miss your comments. People often make constructive comments in these discussions, and I cannot write fast enough to get them all down.
- C. Explain the rights of the participants by handing out the reading the research study information leaflet and consent form. Issues covered include voluntary participation, participants can stop at any time, informed consent, and anonymity and confidentiality, cultural and linguistic barriers etc.
- D. Ask them to complete the attendance register provided. However, inform them that no names will be used in the report.
- E. Encourage the participants to believe that their opinion matters.
The first few moments in focus group discussion are critical. Then, in a brief time, the moderator will create a thoughtful, permissive atmosphere, provide ground rules, and set the tone of the discussion. Much of the success of group discussion can be attributed to the development of this open environment.

I. INFORMATION TO PARTICIPANTS

- A. (**Opening Remarks**). Good day, and welcome to this session. Thank you for taking the time to join me to talk about the socio-economic situation of the Liqhobong Community. You are invited to participate in a research project entitled: **The Socio-Economic Impact of Mining on the Livelihoods of Liqhobong Village Mining Communities.**

This project aims to gather information from the residents of Liqhobong about the socio-economic impact of the mine. First, to identify socio-economic activities which are significantly influenced by mining operations. Second, to evaluate if the mining communities are benefiting socio-economically from the current mining

operations. Third, to explore the extent to which Liqhobong mining development company is committed to the of socio-economic development projects in Liqhobong communities.

You are being asked to participate in this project by being part of the focus group discussion, and it is expected that the session will not be more than one hour.

I will have discussions like this with another group in your community. You were invited because you are residents of the Liqhobong and where the mine operates and somehow affected by the presence of the mine.

Take note that there are no wrong answers but rather different points of view. Please feel free to share your point of view, even if it differs from what others have said. Keep in mind that I am just as interested in negative comments as positive comments, and at times the negative comments are the most helpful.

I will address you by your first name, and I will not use any names in my report. You are assured of confidentiality. The report will go to the Business School of the University, and if you are interested, I can also share a copy with you and the other copy with the leadership of the mine to help them plan future programs. I have placed name cards in front of you to help us remember each other's names.

B. (Purpose). I would like to ask you some questions about experiences you have had since the Liqhobong Mining Development Company's establishment to learn more about you and your community.

C. (Motivation) I hope to use this information towards completing my MBA qualification. However, at the same time, I will share the report with the Mining Authorities for consideration when designing Corporate Social Responsibility (CSR) Investment initiatives. Corporate Social Responsibilities refer to how companies responsibly account for the economic, environmental, and social impact of their business decisions and behaviours. I want to reiterate that I do not believe any risks are involved in participating in this project. Participation is voluntary, and confidentiality and anonymity are assured. The publication will only be in the form of aggregated data, and no individual will be named or be able to be identified in any publication.

D. **(Timeline)** The discussion should take about **60** minutes. Are you available to engage in a conversation with me at this time?

(Transition: Let me begin by asking you some questions about where you live and your family)

II. **Body**

A. (Topic) **General demographic information**

(Question on demographic information may not be asked because this information is on the Attendance Register)

Let me confirm that you are all residents of Liqhobong village?

(Transition to the next topic: _____)

B. (Topic) **Income & Livelihoods**

a. Do you believe the business (Liqhobong mine) should engage in socio-economic activities that are directly related to their core businesses and industries or not and why?

b. What would you say is the primary purpose of companies for performing community development activities?

c. Please describe if there are mine financed community development projects. How would you describe the importance of communities being trained on what CSR is, its benefits, and most appropriate CSR practices?

d. In times of economic crisis how would you suggest the business ensure the continuance of CSR operations?

(Transition to the next topic: _____)

C. (Topic) **Beneficiation and community upliftment as a result of mining activities in the area**

With reference to the positive and the negative change, would you describe how the mine changed your lives since its establishment in your community? What types of

positive and negative community development do you see as a result of the presence of the mine in your area? What role would you like to see the mine playing to advance your community?

(Transition to the next topic: _____)

D. (Topic) **Integration of the mining companies with existing community structure**

How would you describe the working relationship between the mine, the community council, police, community health management team etc.?

(Transition to the next topic: _____)

E. (Topic) **Degree of inclusiveness into mining activities and locality development planning processes**

Please explain how the community and the mine co-exist? What role does the community play in planning activities aimed to support the community developments financed by the mine?

(Transition to the next topic: _____)

F. (Topic) **Perception about the mining activities in the community**

Describe how your perception about the presence of the mine in your community. Why?

(Transition to the next topic: _____)

G. (Topic) **Reliability of services delivered if any**

What services if any, does the community receive from the mine?

How reliable is the mine in fulfilling their promise as far as the community projects are concerned? Is there any area for improvement you would like to tell me about?

(Transition to the next topic: _____)

H. (Topic) **Perception about accessibility of mining leadership by community**

What is the community's relationship with the mine leadership?

How does community issues get to the attention of the mine?

(Transition to the next topic: _____)

I. (Topic) **Perception about the sustainability of the development projects financed by the mine in the community**

Think about the livelihoods activity (**income generating activity**) you are engaged in now if any – how important is this activity for you? Imagine when you have retired from employment – how important do you think activities livelihoods (**income generating activities**) will be to you? Tell me what you see as the role of the mine in facilitating that there are livelihoods projects in the community?

What else do you think would be helpful?

III. Closing

A. Suppose that you had one minute to wrap up the topics of today's discussion. What would you say?"

B. (**Maintain Rapport**) I appreciate the time you took for this interview. Is there anything else you think would be helpful for me to know over and above what we have discussed?

C. (**Action to be taken**) I should have all the information I need. Would it be alright to come back if I have any more questions? Thanks again. I look forward to furthering processing your feedback and sharing the results of the findings.

Adapted from: Designing and Conducting Focus Group Interviews.
<https://www.eiu.edu/ihec/Krueger-FocusGroupInterviews.pdf>

ANNEXURE B: PROOF OF EDITING CERTIFICATE

LET'S EDIT

EDITING CERTIFICATE

01 November 2022

TO WHOM IT MAY CONCERN

DECLARATION: Editing of Research Report

I, Christelle van der Colff, professional, qualified and practising editor, hereby confirm that I proofread, formatted and edited the style, layout (numbering, pagination and heading format), references (reconciliation of citations and the accompanying reference list) and language (spelling, grammar, punctuation, consistency) of a research report titled **THE SOCIO-ECONOMIC IMPACT OF MINING ON THE LIVELIHOODS OF LIQHOBONG VILLAGE MINING COMMUNITIES** to be submitted to the University of the Free State. I did no structural rewriting of the content. Changes were suggested in track changes and **Kholotsa Moejane** has the prerogative to accept, delete or change amendments made by the editor before submission. I am, therefore, not accountable for any changes made to this document by Kholotsa Moejane or any other part subsequent to my edit. The edited work described here may, therefore, not be identical to the final copy submitted for examination purposes.

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Christelle van der Colff

Master's Degree in Applied Linguistics and Literary Theory (Research Development) (cum laude); BA Honours Degree: Applied Linguistics: Translation, Interpreting and Editing; BA Language Practitioners

Reviewed by:



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ANNEXURE C: ETHICAL CLEARANCE APPROVAL LETTER



GENERAL/HUMAN RESEARCH ETHICS COMMITTEE (GHREC)

25-Nov-2021

Dear Mr Kholotsa Moejane

Application Approved

Research Project Title:

THE SOCIO-ECONOMIC IMPACT OF MINING ON THE LIVELIHOODS OF LIQHOBONG VILLAGE MINING COMMUNITIES

Ethical Clearance number:

UFS-HSD2021/1338/21

We are pleased to inform you that your application for ethical clearance has been approved. Your ethical clearance is valid for twelve (12) months from the date of issue. We request that any changes that may take place during the course of your study/research project be submitted to the ethics office to ensure ethical transparency. Furthermore, you are requested to submit the final report of your study/research project to the ethics office. Should you require more time to complete this research, please apply for an extension. Thank you for submitting your proposal for ethical clearance; we wish you the best of luck and success with your research.

Yours sincerely

Dr Adri Du Plessis

Chairperson: General/Human Research Ethics Committee

Digitally signed
by Dr Adri du
Plessis
Date: 2021.11.26
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