

PD-AAT-245

ISN 44823

62

AN ASSESSMENT OF

A SECTORAL APPROACH TO MANPOWER
AND EDUCATIONAL DEVELOPMENT IN LESOTHO

May 1982

000122

Prepared by:

J. Carney

N. Cohen

T. Harris

Not for quotation. This document is for use in internal planning by USAID and the statements contained herein do not necessarily reflect the views of the Government of Lesotho, the U.S. Government or the U.S. Agency for International Development.

GLOSSARY

AID	United States Agency for International Development
AID/L	AID/Lesotho
APTC	Advanced Primary Teachers Certificate
BEDCO	Basotho Economic Development Corporation
CIDA	Canadian International Development Agency
CPDO	Central Planning and Development Office
COSC	Cambridge Overseas School Certificate
Danida/ DVS	Danish International Development Agency/Danish Volunteer Service
GDP	Gross Domestic Product
GOL	Government of Lesotho
GNP	Gross National Product
GVS	(West) German Volunteer Service
IDM	Institute of Development Management
IEMS	Institute of Extra-Mural Studies
ILO	International Labor Office
IMRC	Instructional Materials Resource Center
JC	Junior Certificate
LAC	Lesotho Agricultural College
LDTC	Lesotho Distance Teaching Center
LIPA	Lesotho Institute for Public Administration
LNDC	Lesotho National Development Corporation
LOIC	Lesotho Opportunities Industrialization Center
LTI	Lesotho Technical Institute
MDT	Manpower Development and Training Project
MOA	Ministry of Agriculture and Marketing
MOE	Ministry of Education, Sports and Culture
MOF	Ministry of Finance
NFE	Non-Formal Education
NMDS	National Manpower Development Secretariat
NTTC	National Teacher Training College
NUL	National University of Lesotho

PTC	Primary Teachers Certificate
RSA	Republic of South Africa
SADCC	Southern Africa Development Coordination Conference
STC	Secondary Teachers Certificate
UNDP	United Nations Development Program
UNESCO	United Nations Economic, Social and Cultural Organization
UNICEF	United Nations International Childrens Emergency Fund
USAID	United States Agency for International Development, non-Washington offices
USCC	Unitarian Service Committee of Canada
WB	World Bank (International Bank for Reconstruction and Development)

LIST OF PERSONS CONTACTED

Government of Lesotho

B.A. Tlelase, Honorable Minister, MOE
Z.A. Mat'sela, Permanent Secretary, MOE
J.Z. Molapo, Deputy Permanent Secretary, MOE
E.M. Malie, Chief Education Officer, MOE
C. Bohloko, Principal Education Officer, MOE
M. Motselabane, Chief Planner, MOE
A. Hartwell, Planning Advisor, MOE

A. Set'sabi, Vice-Chancellor, NUL
M. Mahanetsa, Director, IEMS, NUL
J. Pitso, Academic Planner, NUL
J. Lebusa, Businessmen's Training Center, NUL
S. Moshabesha, Businessmen's Studies, NUL
J. Eofelo, Institute of Labor Studies, NUL
F. Moloi, Community Development, IEMS/NUL
L. Sebatane, Research and Evaluation, IEMS/NUL
J. Semata, Institute of Labor Studies, NUL

D. Russell, IEMS/NUL
H. Bahar, IEMS/NUL
J. Bean, IEMS/NUL
G. Davenport, IEMS/NUL
J. Masten, IEMS/NUL
P. Jackson, IEMS/NUL

Q.M. Moji, Deputy Permanent Secretary Planning
M. Fanana, Education Officer, Planning
T. Tsietsi, Deputy Permanent Secretary, Commerce and Industry
D.K. 'Noto, Deputy Permanent Secretary, Finance

J. Maieane, Director NMDS
D. Gugushe, Senior Officer, NMDS
K. Appiah, Manpower Planner, NMDS

Mr. A. Motanyane, Roman Catholic Education Secretariat
Rev. Fr. Tieli, Lutheran Evangelical Education Secretariat

K. Tsekoa, Director, Lesotho Distance Teaching Center
T. Shale, Deputy Director, LDTC
D. Betz, Service Agency Advisor, LDTC

J. Mahoana, Coordinator, IMRC
B. Vogeli, Senior Advisor, IMRC
O. Joyner, Instructional Designer, IMRC

J. Likate, Cabinet Personnel
E.M. Monyau, Cabinet Personnel

M.T. Motsoene, Principal, Lesotho Agricultural College
J. Milne, BASP
R. Sparks, Agricultural Planning, MOA
J. Eckert, Manpower Planning Consultant, MOA

T. Mokete, Personnel Manager, LNDC
J. Curtain, LNDC Advisor

Donors

C. Wiberg, Director, UNDP
H. MacIntosh, NTTC, UNDP
J. Overton, UNDP
A. Aime, World Bank

USAID

Frank Correl
Byron Bahl
Fred Sobrist
Barry Hill
Jim Dunn
Dean Bernius

W

MANPOWER AND EDUCATION

An Evaluation of a Sectoral Approach to Assistance

	PAGE
I. INTRODUCTION	
II. MANPOWER STATUS	2
A. Private and Parastatal Enterprises	2
B. Agriculture	2
C. Government of Lesotho	2
III. EDUCATION SYSTEM	2
A. Background	2
B. Primary Schools	4
C. Secondary Schools	5
D. Higher Education	6
E. Vocational Education	8
F. Overseas Education	9
G. Non-Formal Education	9
IV. SUPPLY AND DEMAND PROJECTIONS FOR LABOR	12
A. Population Growth	12
B. Forecasted Supply of Labor, 1985-1989	12
C. Will There Be Jobs in Lesotho?	13
V. GOVERNMENT OF LESOTHO GOALS	17
A. General Objectives	17
B. Education	17
C. Agriculture	18
D. Commerce and Industry	19
E. Public Sector	19
VI. CONSTRAINTS	19
A. Economic Constraints	19
B. Education System	21
C. Organizational Framework and Coordination	22
D. Funding	23
E. Donor Support	23
F. Data Base	24
VII. AID MANPOWER AND DEVELOPMENT PROJECTS	25
A. Instructional Materials Resource Center	25
B. National University of Lesotho	25
C. Structuring Non-Formal Educational Resources	25
D. Manpower Development and Training	26
E. Lesotho Opportunities Industrialization Center	26

✓

VIII. CONCLUSIONS AND RECOMMENDATIONS	26
A. Financial Management	28
B. Planning	29
C. Vocational Skills	30
D. Agriculture and Science Education	30
E. Basic Education	31

I. INTRODUCTION

This brief evaluation, assessing the possibility of a sectoral approach to assistance in manpower development and education, is done to help determine the course of AID's future efforts. Emphasis is placed on the period 1984-1989 as a funding cycle and as most AID/L projects concerning education and manpower development are to be terminated in 1983-1984. Lesotho, as a small and homogeneous country, has had a large number of individual projects, each demanding Government of Lesotho (GOL) and AID staff time for their formulation, design, approval procedures, agreements and monitoring. The concept of encompassing education and manpower development under one major program appears efficient and effective, as it avoids duplication of effort and is more coordinated in approach, both for AID and the GOL. Some needs of Lesotho extend beyond a given Ministry or Department and are conducive to amalgamation (such as improved financial management and managerial planning). Multi-ministerial needs could be grouped in a more coherent fashion. This paper's major task is to attempt a determination of whether these "appearances" are valid and applicable.

To determine the possibility of using a sectoral approach to manpower development and education in Lesotho, the evaluation team held discussions with key personnel in the GOL and with other assistance agencies, and reviewed all pertinent literature and data available over a three-week period. The Ministries visited included: Cabinet Personnel, Finance, Planning, Commerce, Health, Education, and Agriculture. Institutions visited included: NUL, IEMS, LDTC, JMRC, NMDC, LAC, Peace Corps, UNDP, LNDC and LOIC and others.

II. MANPOWER STATUS

The present situation in Lesotho, as in most African nations, shows a dichotomy between various personnel requirements and the suitable supply. Certain categories of work (such as upper-level management) face severe shortages, whereas other categories (such as clerical and unskilled) show a surplus of personnel. The following sections show figures gathered during 1980 by the National Manpower Development Secretariat (NMDS), which is now a Department of the Ministry of Planning, Manpower, and Economic Affairs. The NMDS has been hampered by limited GOL support, in both personnel and response to the survey. Their figures, while being the best available, are estimates only and should not be considered definitive. This section of the report is divided in the following groupings: private and parastatal enterprises, agriculture and government.

A. Private and Parastatal Enterprises

Service-oriented businesses, including the wholesale and retail trade, hotels, restaurants, transport, banking/business services and miscellaneous enterprises as well as manufacturing service and construction firms, total an estimated 1480 enterprises in Lesotho. These include privately owned and parastatal enterprises.

In 1980 these enterprises employed an estimated 22,390 people. Skilled and professional staff (employees having at least three years post-primary education or training) totalled 12,460 people or over half the total. Non-citizens totalled 720 people. The total employed people in 1980 showed an increase of 13 percent over the 1979 estimates (some 2550 new employees).

B. Agriculture Sector

The World Bank Burke Report shows a "residual work force for agriculture and unpaid family workers" of 422,500 in 1980, an increase of 83,600 since 1975. The 1976 census, reflected in the WB Lesotho Economic Indicators of 1981, shows 97,900 people actively employed (in 1976) in agriculture. Given a rough 20 percent increase, some 120,000 people in Lesotho may be actively employed in agriculture at this time and some 300,000 people may have some marginal input in the agriculture sector.¹ The "guesstimates" give an indication of the large numbers of people dependent in some way upon the agriculture sector. This dependence is exacerbated by the declines in available land and production and the population growth, as reflected in available land and production and the population growth, as reflected in the recent AID report titled "A proposed USAID Approach for Agricultural Development in Lesotho" and will be supplemented by the Eckert Report on MOA manpower data.

C. Government of Lesotho

All figures have not yet been submitted to the NMDS showing government employees. Estimates have been made, showing 9,200 employees in 1975, increasing to approximately 11,000 staff in 1980. Given the GOL freeze on hiring since 1980 and the release of temporary staff, this estimate is probably reasonable for the present time as well. This figure does not include people employed in rural works projects as laborers, does not include school teachers, nor does it include security personnel.

Rural work personnel have been estimated at some 5,000 people, school teachers are estimated at 6,400 and security personnel (police, military) at 2,100.

III. EDUCATION SYSTEM

A. Background

When Lesotho gained its independence in 1966, the ownership, financial management and day-to-day supervision of a large formal education system of primary and secondary schools was controlled by the Roman Catholic, Anglican, and Lutheran Evangelical churches. By 1982 that scenario has not changed significantly. Nor is it likely to change in the next decade considering the Government of Lesotho's intention to leave the responsibility for the supervision and management of the primary and secondary school system in the hands of the church proprietors for the foreseeable future.

In 1980 the churches owned and operated 1056 of the country's 1074 primary schools, 83 of the 96 secondary schools, and 13 of the 16 vocational training and technical education schools. This fact has had advantages and dis-

¹ LASA Report "Analysis of Manpower Utilization," 1980, shows a total work force of 337,000, but coupled with the NMDS and Burke Report, this level appears low.

F O R M A L E M P L O Y M E N T I N L E S O T H O 1 9 7 5 - 1 9 9 0

	<u>1975</u> ¹	<u>1980</u> ²	<u>1985</u> ³	<u>1990</u> ⁴
MINING	-	890	890	920
MANUFACTURING	2,000	3,910	8,380	14,380
CONSTRUCTION	2,500	4,590	6,190	8,000
UTILITIES	?	490	490	510
TRADE	?	8,560	11,850	15,150
TOURISM	500	1,460	1,760	2,060
TRANSPORT & STORAGE	? 13,800	660	1,270	1,670
BANKING & BUSINESS SERVICES	?	1,310	1,610	1,910
SOCIAL SERVICES	?	470	1,070	1,370
EDUCATION	?	6,000	7,000	8,000
RURAL WORKS LABOR	?	5,000	5,500	6,500
GOVERNMENT	9,200	11,000	11,500	12,500
SECURITY		2,100	2,450	2,800
MIGRANT (RSA)	134,500	165,000	165,000	150,000
AGRICULTURE	<u>97,900</u>	<u>120,000</u>	<u>140,000</u>	<u>170,000</u>
TOTAL	259,900	331,440	364,960	395,770

1. Source: "Employment Projections and Manpower Development in Lesotho, 1975-1980," Wilson Report, CPDO, 1976.
2. Source: National Manpower Survey, 1980, National Manpower Development Secretariat, CPDO
3. Source: NMDS projections from 1980 survey.
4. Evaluation team projections

advantages. Lesotho's record of more than a century and a half of a formal education program is a source of pride to the government, the Basotho churches and the parents and students of Lesotho and has made a significant contribution to Lesotho's development process. Lesotho has a comparatively high rate of literacy among African nations. The 1976 census indicated that more than 60 percent of the population over the age of 15 had attended primary school for at least four years.

However, in the past decade, a number of factors and trends have emerged which has caused the officials of the Ministry of Education, Sports and Culture, the educational administrators of the churches and responsible parents to admit that there are very serious problems and weaknesses in the present formal school system. These constraints will be explained in detail in section VI. B.

Over the past four years, the MOE/GOL has begun to analyze and address solutions to these problematic constraints through the Education National Dialogue of 1978 and the Education Sector Survey of 1980-82. It is now anticipated that the entire Education Sector Survey will be published in July 1982, although basic directions and themes of its content in relation to the terms of reference of the Education Task Force were available to the USAID team during April 26-May 14, 1982.

B. Primary Schools

Lesotho strives to provide universal access to primary education. In 1980 enrollment in the 1074 primary schools was 244,838, of whom 101,366 (41.4%) were boys and 143,472 (58.6%) were girls. From 1969-1979 the primary school growth rate was about five percent, but from 1975-78, its average growth rate was only 1.6 percent. However, in 1979, the primary school growth rate increased to 3.1 percent and in 1980 it was 3.9 percent. This higher increase can be attributed to the increased number of students entering the first grade (4,978 pupil increase compared to 1979) and the increase of the number of repeaters in all grades. The pupil:teacher ratio in primary schools improved slightly in the last few years from 51.7 percent in 1978 and 49.3 percent in 1979 to 48 percent in 1980. However, the number of unqualified teachers rose from 35.4 percent in 1979 to 36.4 percent in 1980. The pupil:classroom ratio continued to worsen from 80.4 pupils to 1 room unit in 1978 to 82.9:1 in 1979 but improved to 77.7:1 in 1980 because of the recent MOE classroom construction program. While the pupil:teacher ratio has improved in 1980 to 48:1, the pupil:classroom ratio still indicates that many classrooms are overcrowded with well over 100 students placed in a room not designed to hold more than 50. Many classes are held in the open air. The recently conducted mapping exercise indicated that fully two-thirds of the primary schools are inadequately seated. Only 40 percent of the primary schools have the facilities to offer the full seven year primary school cycle. Seventy percent of the pupils do not have proper instructional materials or textbooks.

The curriculum in primary school includes Sesotho, English, mathematics, social studies, health science and bible knowledge. Most schools have a

garden attached, but work in this garden is usually regarded as a punishment for an infraction of school discipline rather than an integral part of any agricultural studies program.

Only 12,813 pupils successfully completed primary school in 1980. Only one in five of those enrolled in Standard 1 successfully completed primary education. About 64 percent of those who successfully complete primary school with passing grades were able to find admission to secondary school. Therefore in 1979-80 around 6,000 students over 14 who had either left school during grade 1-7 or who had successfully completed their primary school study program but were not able to find admittance into secondary school tried to enter the labor market from primary school. Their primary school education was academic and did not provide them with technical, vocational or agricultural skills. This is especially critical because modern agriculture requires a literate and informed farm population with some understanding of science and the ability to build, utilize, repair, and maintain modern machines, tools, and structures. The farm population must have the educational background necessary to deal with the concepts underlying, for example, the application of fertilizer, employment of controlled grazing, and the use of credit. Throughout the agricultural sector assessment, that team encountered constraints to agricultural development that lie within the education and training sector, starting with the problem of appropriate primary education.

C. Secondary Schools

In 1980 enrollment in Lesotho's secondary schools reached 23,355 students. 82.7 percent (19,327 students) were enrolled in the junior secondary program of Forms A-C and the rest were students in the upper secondary program in Forms D and E. Sixty percent of the students were girls. The student to teacher ratio was 20.8 students for 1 teacher. 21.5 percent of these teachers were not properly qualified to be teaching their assigned responsibilities. While the annual student growth rate in secondary schools from 1975-78 was 4.4 percent, it jumped to 20.7 percent in 1979 and 9.1 percent in 1980 with the opening of 33 unplanned for secondary schools in 1979 by governmental decree.

The effect of this rapid expansion of the secondary school system has been that it has not been possible to provide these schools with the support to meet even minimum standards due to lack of planning and programming of financial and human resources.

In 1980, 1,458 students left school during the Forms A-C for a gross wastage of 25.7 percent. 3,927 students sat for the junior certificate examination. 2,759 or 70.3 percent passed the examination, however only 48.7 percent of the original student intake into Form A passed this exam. In the same year 364 students left Forms D-E for a gross wastage of 19.8 percent. 1,454 students sat for the Cambridge Overseas School Certificate Examinations. 386 students or 26.5 percent passed the examination. The percentage pass rate on the COSC examination has been declining steadily since 1971 when it was 50.9 percent.

Using 1979 cohort progression rates for every 1,000 who enter primary school only ten will pass this COSC.

The current secondary school curricula at the JC level consists of Sesotho, English, math, science, development studies (history and geography), bible knowledge and one practical subject. Sixteen secondary schools do offer pre-vocational subjects, 27 schools have courses in bookkeeping and commerce as the practical subject, while 50 schools have an agriculture course. Basically the curricula is academic and needs reformation to ensure the maximum utilization of the secondary schools to provide and train the students with the skills, knowledge and capacity for productive activity within the development economy of Lesotho.

D. Higher Education

1. National Teachers Training College (NTTC). In 1975 the Government of Lesotho closed 17 church sponsored teacher training institutions and opened the government sponsored National Teachers Training College to provide the sole source of teacher training programs for instructors in all Lesotho's primary schools and junior secondary schools. The college offers three specific teacher training programs leading to distinct certificates-- the Primary Teachers Certificate (PTC); the Advanced Primary Teachers Certificate (APTC - this is a special administrative education program which upgrades qualified primary teachers to become headmasters); and the Junior Secondary Teachers Certificate (STC). The NTTC students also spend their second year of training teaching in an internship program. In 1979 the NTTC graduated the following respective certificate holders:

	<u>1979</u>	<u>1980</u>
PTC	181	160
APTC	37	36
STC	42	39

The NTTC also provided inservice training for approximately 100 under-qualified teachers already in the field in both 1979 and 1980.

In 1980, 894 students were enrolled at the NTTC; 761 were women. The college began in 1975 with an enrollment of 78 students. Expansion has been extremely rapid reaching 835 students in 1978. This had led to a crisis at an early stage of the NTTC's growth. Three critical areas of development at the NTTC now are staffing, housing and internal management. There are 55 staff at the NTTC serving the needs of 894 students on campus. Currently there are over 40 vacant staff positions at the college. Several of these vacancies include senior administrative posts such as Registrar, Coordinator of Instructional Programs and Coordinator of External Programs. Many important departments such as agricultural education, home economics, and commercial studies have only one to two staff members in the department. The senior administrative staff consists of only the Director, Deputy Director, Bursar and Senior Technical Advisor.

The relatively few Senior administrative staff at the NTTC is exacerbated by the lack of a coherent managerial system. Because many senior posts are unfilled, most decisions are all referred to the Director's office, be they matters of financing, staffing, curriculum development, housing, etc. Professional salaries that are on par with secondary school teachers and the scarcity of government housing for a majority of the professional staff has created a low morale among the faculty that has made it difficult to retain all the present faculty, let alone recruit new members for the vacant staff posts. Much of the limited good that the NTTC has accomplished in its seven year existence stands to be vitiated if specific and concrete solutions cannot be found for its critical problems in the above areas.

2. National University of Lesotho.

a. The Faculty of Education at the National University of Lesotho has responsibility for senior-secondary teacher education. It offers Bachelor of Arts and Science Degrees concurrent with a certificate in education over a four-year program. In 1978 it inaugurated a B.A. Education program in conjunction with the Faculties of Humanities and Social Sciences and a B.S. Education degree in conjunction with the Faculty of Science. The Faculty of Education also offers a Master in Education Degree. In 1978 the University also began two special programs; one is to train more mathematics and science teachers, the other is to train teacher trainers for the faculty of the NTTC and for the MOE inspectorate. Both the STC program of the NTTC and the University senior secondary training program project that they each will produce approximately the following amounts of qualified teachers by the year 2000: 1980-84 (300) 1985-89 (422-429); 1990-94 (492-500); and 1995-99 (530-575).

Such a production of up to 1,150 trained teachers will go a long way in satisfying the need for fully trained teachers in all the secondary schools. If the past can provide a worthwhile experience, it will be an open question on how many trained teachers, especially from the university program, actually choose to work in Lesotho's secondary schools.

b. In addition to the specific education programs mentioned above, the National University of Lesotho has faculties in economics, humanities, social sciences, natural sciences, and law. Individual courses in such subjects as agriculture, technology and theology are offered within some of these faculty departments. In 1979 NUL enrolled 560 men and 488 women for a total of 1,048 students, of whom twenty percent were non-Basotho. The teaching faculty consisted of 69 Basotho and 46 expatriates. The student body increased by 23.7 percent from 1979 to 1980. While the NUL and MCE statistics are not complete for 1980-81, full and part-time teaching staff rose to 137 while the full-time student body fell to 995 students, of whom 200 were non-Basotho. This decline in student enrollment has been attributed to both the continued decline in CGSC passes as well as the political unrest and confusion surrounding the university at the time of registration during the 1980-81 academic year.

3. Lesotho Agricultural College (LAC). Lesotho Agricultural College began to offer both certificate and diploma level training in 1979 under the sponsorship of the Ministry of Agriculture and Cooperatives. In that year 55 students were enrolled in a diploma level program in general agriculture and agricultural engineering. Fifty-two participants took part in the certificate program in agricultural extension work and 42 women enrolled in a program on the rural domestic economy. There are 30 staff members at LAC. The diploma level courses are taught under the dual sponsorship of the National University and LAC. NUL, LAC and the MOA have plans to sponsor an in-depth analysis in 1982 on the feasibility of improving the quality of the diploma degree as well as merging NUL and LAC into one Faculty of Agriculture. It should also be noted that the MOA is endeavoring to establish a Farming Training Center at the post-primary level for agricultural extension in each of the ten districts. In 1979 there were six FIC established serving 180 adult farmer trainees in total.

E. Vocational Education

1. Vocational training in industrial arts and home economics is offered in 11 junior secondary schools which are church operated schools. More advanced technical education is offered in the following five senior secondary schools:

1. Lerotholi Technical Institute (MOE)
2. Commercial Training Institute (MOE)
3. Lesotho Institute of Public Administration (Prime Minister's Office)
4. Technical Institute of Leribe (Roman Catholic)
5. Leloaleng Trades School (Anglican or Luthern)

The total enrollment for these 16 vocational training schools in 1980 was 1,236 students, of which 56 percent were female. Eight percent of these women were enrolled in home economics. More than 48 percent of the males were enrolled in motor mechanics and building construction. Of the 25,485 students enrolled in secondary schools, vocational/training schools and the NTTC in 1980, only 4.8 percent were enrolled in vocational training programs and 3.5 percent in teacher training programs, while general secondary education accounted for the remaining 91.7 percent. The Ministry of Education has introduced some vocational subjects into selected general secondary schools through the training for self-reliance project and the II World Bank loan. However, the program has faced weak administration since its inception and is still to be finally evaluated.

2. Lerotholi Technical Institute (LTI). Lerotholi Technical Institute receives over 500 applications a year with room for 200 students in the first year program. In 1981, 421 students were enrolled in its certificate, diploma and Commercial Training Institute programs. The faculty consisted of 21 teachers; 17 Basotho, of whom 16 are fully qualified. A two-year craft level certificate is offered to students with a Junior Certificate entrance requirement. A COSC pass is required for entrance into the three-year certificate and four-year diploma programs. The certificate programs cover such fields as Plumbing and Sheet Metal, Electrical Installations and Appliances,

Carpentry and Joinery, Basic Electronics, Radio and Television Repair, Institutional Cookery, and Commercial Training (Business Studies, Secretarial Work, Typewriting and Bookkeeping). The four-year program in the Technical Training Unit leads to a diploma in civil, electrical, mechanical or architectural engineering.

3. Lesotho Opportunities Industrialization Center. The primary purpose of this vocational training institute is to provide primary and secondary school leavers with an opportunity to pursue a vocational skills training program, which is supported by counseling, job placement and on-the-job counseling programs. The training program emphasizes the building trade skills plus there are separate programs in entrepreneurial, foreman, and management training. These courses are preceded by a preparatory feeder program, which assesses the training needs and capabilities of the participants. The LOIC program is also supported by counselling services, job information and placement and job follow-up services. In 1981 about 200 trainees were reported to have found employment and about 80 percent have passed the official trade tests (Grade C) in their respective trades. The LOIC is temporarily housed on the LTI campus, but the III World Bank loan to education is providing funds for the construction of a permanent facility. The report of B.G. van der Kaa, a UNESCO consultant, on Vocational/ Technical Training and Technical Education in Lesotho Secondary Schools (March 1982), stated that employees who have hired LOIC graduates are generally favorably impressed. They were well motivated and had positive attitudes toward their job and the vocational learning process. There are currently about 135 trainees enrolled at LOIC.

F. Overseas Education

Basotho desiring to study medicine, engineering, advanced agriculture, conservation, range management and animal husbandry courses and a variety of specialized academic, vocational and technical courses must go overseas for study. Over 90 percent of the Basotho trained in and returned from the USA in the past four years remain in the government civil service. It is the largest employer in the modern sector of the economy.

The largest numbers receiving overseas training are engineers, agricultural specialists and scientists.

The NMDS is primarily a scholarship clearing house which employs an ad hoc approach to basing their training nominations on any analysis of manpower needs in the civil service ministries and parastatals. Some individual ministries develop better training plans than others based on specific needs assessments and forward them to the NMDS for placement. Despite the severe skilled manpower constraint that Lesotho faces, the central planning office and NMDS have neglected to pursue a manpower needs assessment and the development of appropriate training plans.

G. Non-Formal Education (NFE)

In 1978 because of the proliferation of over 30 agencies providing non-formal education opportunities, the government established an interministerial coordinating body for adult NFE programs which is trying to reduce duplication and im-

prove coordination. Non-formal education programs are provided by the Ministry of Education through the Lesotho Distance Teaching Center and through the National University of Lesotho's Institute of Extra Mural Studies. NFE courses are also provided by the Ministries of Agriculture, Health, Interior and Cooperatives and Rural Development as well as the Prime Minister's Office, five non-statutory agencies, church organizations and private voluntary groups. A mapping exercise of NFE local institutions in Lesotho completed by the Lesotho Distance Teaching Center in 1981 indicated that there are over 300 separate and viable local NFE organizations in Lesotho.

The Ministry of Agriculture sponsors (1) formal courses at the LAC and the Farming Training Centers, (2) inservice training for its own staff, (3) day or weekend meetings for your farmers and women's organizations and (4) cooperative training. The Ministry of Cooperatives and Rural Development sponsors courses in leadership, land conservation, water supplies, food aid, nutrition, communications, literacy and cooperatives.

The Ministry of Health has a nurse clinician program, educational programs for mothers and pre-school children in nutrition, health care, sanitation and family planning.

The Lesotho Youth Service and the Bureau for Women's Affairs, both under the Prime Minister's Office, provide NFE education programs for rural women and young school leavers in agriculture, carpentry, weaving, sewing and literacy and numeracy skills.

Catholic Relief Services (food aid education); Dodepax (Thaba Kupa Vocational Agricultural Educational School); CARE (mohair cottage industry); the Lesotho National Council of Women (mohair weaving, craft industries, literacy and numeracy, pig and chicken raising) also play important non-formal educational roles in the rural areas.

The Institute of Extra Mural Studies (IEMS)

The Institute of Extra Mural Studies is a key component of the National University of Lesotho's effort to help increase Lesotho's reservoir of trained and skilled manpower. Its focus is on development related academic programs, secondary level business skills and practical short courses in community development. It provided adult education to 6,000 participants. IEMS is organized into nine sections for Community and Leadership Development, Practical Businessman's Training, Diploma/Certificate Businessman's Studies, Labor Studies, Part-time Degree University Instruction, Research and Evaluation, broadcasting, Publication and the Regional Extension Center Operations.

IEMS at the end of its first 20 years of existence was at a crossroads in its development. Success had generated a demand for services beyond present institutional capacity.

The Lesotho Distance Teaching Center (LDTC)

The Lesotho Distance Teaching Center was founded in 1974 to provide non-formal education services to the rural people of Lesotho. The Student Advice Section provides correspondence courses to private-candidates studying for the Junior Certificate and the COSC. The Literacy and Numeracy Section provided by correspondence mathematical and reading skills to young school leavers and adults. The Basic Rural Education Section writes and distributes basic Sesotho publications on practical subjects for rural development. The Radio Section broadcasts regular educational programs and "spots" on Radio Lesotho.

The LDTC's Service Agency is equipped to provide identification, goals clarification and recommendations on how to achieve these goals for rural groups. It can also provide group training and leadership training programs. The staff of the Service Agency assists rural groups in developing and printing NFE instructional materials such as booklets, photostrips, learning games, and posters. Finally it is planned that the Service Agency will provide financial assistance to those rural groups with an income producing focus and grants to those with an educational objective.

Lesotho Center for Accounting Studies

The Lesotho Center for Accounting Studies, was established in 1979 to provide professional accounting educational programs and examinations leading to three different professional certifications of Licensed Accountant, Registered Accountant and Public Accountant. The licensed accountancy program consists of one year of training in the early evenings and Saturday mornings, plus four two-week full-time sessions. Upon certification, a licensed accountant will be qualified in public practice to be involved in preparing and auditing the financial accounts of sole traders, partnerships and companies, as well as in tax work. He will also be able to hold supervisory positions with responsibility for planning and monitoring the work of junior staff.

Those accountants who successfully complete the licensed program are eligible to enter the one-year Registered Accountancy program or the two-year Public Accountancy program. The study program for the licensed accountancy certificate includes Financial Accounting I and II, Auditing I, Taxation I, Economics, Law, Statistics and Management. In 1980, twelve Basotho successfully completed the licensed accountancy program, while in 1981 twenty-eight completed this same program, and seven the registered accountancy program.

Lesotho Institute of Public Administration (LIPA)

The Lesotho Institute of Public Administration conducts short courses and seminars in the fields of financial management, budgeting, tax administration, auditing, marketing management, etc., and provides consultancy services to the government and parastatals. The targeted audience are the lower to middle level civil servants and employees of parastatals and private companies. LIPA's program was completely localized in 1979. The institution has had sporadic success, with problems in the timely scheduling of its programs, regular attendance and having clear goals related to serving the educational needs in administration and financial management.

Institute of Development Management (IDM)

The Institute of Development Management was founded as a regional educational institution in 1974 to meet the mid-career and senior management training needs of Botswana, Lesotho and Swaziland and to undertake research, consultancies and educational programs related to training in specific and development programs in general. The IDM offers short courses and a series of 6-9 weeks courses in Public Administration and Management, Finance and Accounting, Health Services Management, Education Administration, Personnel Management, Organization and Methods, and Communication Skills. IDM has a permanent staff of one regional director based in Gaborone and IDM Lesotho is administered by a local assistant director, plus an adjunct faculty staff of approximately 10 professionals. The IDM has changed its regional administrative leadership position three times in four years, while in Lesotho the position of the assistant director has also changed hands three times in four years. There is a lack of clarity about distinction between IDM and LIPA. Priorities in relation to scarce human and financial resources have not been determined by the GOL for support services for each institution. Consequently neither institution has a clear conception of its goals, function or its inter-relationship to other institutions.

IV. SUPPLY AND DEMAND PROJECTIONS FOR LABOR

A. Population Growth

Lesotho's de jure population in 1976 was 1,217 thousand, or an average growth rate of 2.3 percent per year since 1966. Within Lesotho there has been migration from the eastern districts to the western districts, with nearly half the households now in the western lowlands. Almost forty percent of the total population was less than 15 years old in 1976, and five percent were over 64 years old. This yields a dependency ratio for those of working age of 0.82, which is significantly lower than the ratio for Botswana or Swaziland. In 1976 females were 52 percent of the total de jure population and 57 percent of the de facto population.

About 426,000 Basotho were economically active, two-thirds of whom were males. Forty-two percent of the economically active males and ten percent of the females were working in South Africa.

Basotho employment in the South African mines increased from just over 77,000 in 1967 to 129,000 in 1977 (5.3 percent per year growth). There has been a reduction in total numbers employed at the South African mines since 1977. Thus, while up to 15,000 of the males entering the labor force each year from 1967 through 1977 could find work at the mines, that has not been true since 1977. The increase in the average length of a mine contract, and the reduction in the number of novices going to the mines, has made the situation more difficult for new entrants to the labor force.

B. Forecasted Supply of Labor 1985-1989

From 1985 to 1989 approximately 230,000 will leave primary school and the formal education system with or without passing Standard 7. Two-thirds of these people will have left school before Standard 5. One-fourth, or 58,000 will enter the modern sector labor force.

Nearly 27,000 will finish their education at the junior secondary school level; 5,000 with a JCE and 3,300 with vocational or agricultural training. Two-thirds or 18,000 will enter the modern sector labor force.

Of the 10,000 who will finish their education at the senior secondary school level, 8,000 will enter the labor force and about 3,000 of these will have vocational/agricultural training, be trained as a teacher at NTTC or have a diploma in Education from NUL.

In order to forecast the qualifications of those entering the labor market between 1985 and 1989 we used the JASPA Report (Jobs and Skills Programme for Africa, Options for a Dependent Economy, International Labour Office, Addis Ababa, 1979), Burke Report (B.M. Burke, The Outlook for Labor Force Growth and Employment in Lesotho, 1980-2000, World Bank/UNDP team, Maseru, July 1981) and the World Bank's Third Education Project Staff Appraisal Report (Washington, July 1981). These forecasts were modified to reflect revised figures and estimates by the Government of Lesotho.

Probably all of the 1,200 completing a university degree will enter the labor force. Around 300 of these will have science degrees and 900 will have a non-science degree (humanities, social science, education, law).

Thus between 1985 and 1989 there will be approximately 268,000 completing their education. Around 85,400 will enter the labor force. The annual number of leavers of the educational system is 53,600, and entrants to the modern sector labor force is 17,000.

C. Will There Be Jobs In Lesotho?

NMDS estimates that there were 41,428 formal sector jobs in Lesotho in 1980. Over one-fourth were employed in non-security government posts, and over one-fifth in trade. Fourteen percent were teachers, eleven percent were in construction and manufacturing employed nine percent.

We used the NMDS projections for 1985, presented earlier, and then projected sectoral demand to 1990 using the Burke Report as modified by discussions with government officials.

Unless new mines are found and government approval received, there is little likelihood for any substantial increase in this sector. The manufacturing sector will probably be the fastest growing sector. LNDC has been able to create at least 1000 new jobs per year over the past few years and feel that they could create at least 2000 per year in the coming years. Burke feels that the manufacturing sector will only be able to add 670 jobs, net, per year from 1985 to 1990. It appears more likely that the manufacturing sector can add at least 1200 new positions per year. Construction has been erratic and highly dependent on government capital expenditures. Since it appears likely to be greater than Burke estimated for 1985, we estimate a faster growth rate through 1990, or the addition of 360 jobs per year. Trade has also been growing faster than Burke thought it would, and thus the forecast for 1985 to 1989 is that it will grow by 4300 jobs or 860 per year. Transport also will be able to add at least 80 jobs per year. Education will attempt to add 200 jobs per year and the government will do likewise. The forecasts for the other sectors is very close to Burke's estimates.

In order to find out whether the projected employment figures are possible we estimated the employment elasticity for each sector and then figured what the employment growth figures implied about sectoral income growth from 1985 to 1989.

EMPLOYMENT ELASTICITIES AND ECONOMIC GROWTH

Sector	Employment ₁ Elasticity	Forecasted Employment Growth 85-89	Implied Real Economic Growth 85-89	Actual Real GDP Growth 74/75-79/80
Mining	1.25	0.3	0.3	48.1
Manufacturing	1.88	13.9	9.3	0.8
Utilities	0.89	0.5	0.5	6.1
Construction	0.89	5.7	6.2	15.4
Trade	1.60	5.9	4.0	-2.1
Tourism	2.18	3.5	1.7	6.0
Transport	1.72	10.9	6.5	2.0
Fin. Serv.	1.17	3.8	3.4	2.9
Education	0.75	2.9	3.7	10.4
Government	0.61	1.3	2.0	14.4
TOTAL	1.02	5.3	5.2	7.1

(1 percent change in labor force divided by percent change in real contribution to GDP. 1874/75 - 1979/80)

As benefits economy with a small but growing modern sector, most of the elasticities are above unity. Those sectors which have the most rigid wage structure, and enforced minimum wages, are also those which have relatively inelastic employment elasticities. For these, in order to change employment you must change expenditures by a greater amount than in the past.

The most optimistic assumptions that this analysis therefore is making is with the manufacturing, transport and trade sectors. In each of these, we modified Burke's estimated employment growth to reflect a certain degree of optimism. Thus these figures ought to be viewed as an upward limit on modern sector job creation. In those sectors where we are more pessimistic than Burke, we reflect discussions with MDS, GOL and private sector people who do not foresee as much expansion as has occurred in the recent past.

The net figure is that we estimate a maximum of 15,000 new jobs in the modern sector between 1985 and 1989 (Burke estimates 10,630). However, a larger number will find jobs through attrition in the existing labor force. If there is an 8 percent per year retirement rate, then around 36,600 will find jobs. A more realistic assumption is that 25,700 will find jobs. Breaking down these by educational levels needed we find:

EMPLOYMENT PROJECTIONS 1985-1989

Level of Education	Number of People	Number Entering Labor Force	Modern Sector Jobs		Informal Sector Jobs
			8% retire.	4% retire.	
Primary School	230,000	58,000	17,000	12,000	7,000
Junior Sec. School	26,000	18,000	13,000	9,200	900
(With voc or ag)	(3,300)	(3,100)	(9,400)*	(5,600)*	
Senior Sec. School	10,200	8,200	5,250	3,600	450
(with voc or ag)	(1,100)	(1,000)	(4,000)*	(3,000)*	
(with teacher trg degree)	(2,200)	(2,000)	(3,500)*	(2,000)*	
University	1,200	1,200	1,050	800	
(Science degree)	(300)	(300)	(600)*	(450)*	
(Human degree)	(900)	(900)	(850)	(350)	
TOTAL - 5 years	268,000	85,400	36,600	25,700	8,350
Per Year	53,600	17,080	7,320	5,140	1,670

*--There are insufficiently trained people for the number of jobs being created: some will be filled by people "overqualified" or by taking a person without full qualifications.

Five general conclusions come from the above table. (1) Eighty-six percent of the people completing their education will have no more than a primary school degree. Any solution to Lesotho's problems that does not work on the primary school level will not directly affect these people. (2) The largest number of those entering the labor force, and not finding jobs are primary school leavers. While in the past these would have found jobs in the South African mines, the number of novices going to the gold mines has dropped. In 1980 only 5,787 novices went. The South African Chamber of Mines has decreased the number of novices coming from outside South Africa and intends to continue to do so. If the number of novices averaged 5,000 per year from 1985-1990, then there will be employment possibilities for an additional 25,000 primary school leavers. Adding this to the 4 percent retirement projection of job openings in Lesotho indicates that there may be employment projects for 37,100 of the 58,000 primary school leavers seeking modern sector employment. (3) Those people with vocational, agricultural or teacher training skills will probably still be in short supply through 1990.

Within this group, there will be the greatest shortage of people with vocational skills and possibly rough equality for those with agricultural skills (seeking government positions) and teacher training skills. (4) Those entering the labor force with university degrees are just about saturating the market. However, there is an oversupply of those with non-science degrees, and a shortage of people with science degrees and managerial and financial skills. (5) Under the optimistic assumptions, and allowing for 5,000 new people per year going to work in South Africa, there will be jobs for nearly 70,000 of the 85,400 seeking modern or informal sector jobs. Under the more realistic 4 percent retirement rate assumption, there will be jobs for 59,000 of the 85,400 seeking work. The traditional sectors of agriculture and livestock will have to absorb most of the 183,000 not trying to enter the labor force, and the 16,000 who cannot find jobs. Many question whether the agricultural sector can economically absorb this many people.

V. GOVERNMENT OF LESOTHO GOALS

A. GENERAL OBJECTIVES

A series of overall goals for the Basotho society are enunciated in the GOL Third Five Year Development Plan. These are:

1. Reduction of Vulnerability -- This attempts to reduce Lesotho's dependence on external resources and enhance self-reliance. It emphasizes food grains, basic building materials, domestic services and job creation.

2. Employment Generation -- The economy is unable to generate sufficient jobs in the modern sector. Prospects in agriculture and livestock need to be improved.

3. Social Services -- Improve health care, health education, family planning, improved water, sanitation and nutrition.

4. Natural Resources -- The protection and preservation of land and water resources including soil conservation and afforestation programs.

5. Participation in Development -- This includes self-help projects and working through cooperatives and farmers' associations.

B. EDUCATION

In December 1980 Cabinet appointed an Education Task Force consisting of Basotho educators at the National University of Lesotho, administrative staff of the Ministry of Education and the three chief administrative officers of the churches' education secretariats to conduct an Education Sector Survey. The terms of reference of this Task Force were to:

1. Identify and clarify the major problems and goals of Lesotho's education system in the context of the country's national development;

2. Review the curricula and structure of the formal and non-formal sectors of the education system in terms of development;

3. Examine the organization of education with particular attention to the responsibilities and roles of the Government and the churches in the administration and management of the schools;

4. Explore potential technical improvements in such areas as the construction and use of facilities, the production and use of instruction materials, the use of radio and other mass media to improve the efficiency and/or relevance of the education system;

5. Examine the distribution of educational opportunity and resources in relation to demographic trends and Lesotho's development needs;

6. To analyze the management, financing and cost of education in relation to overall economic trends;

7. To propose policy, objectives and strategies for the improvement of the educational system. These proposals were to be phased and cost/benefitted in relation to the country's overall development strategies and limited financial and skilled manpower resources.

C. AGRICULTURE

The agricultural goals were spelled out in the Blueprint for Action, issued by the Ministry of Agriculture in 1981. The overriding goal of this sector is to achieve food self-sufficiency by the year 2000. This goal is variously interpreted as self-sufficiency in basic foods, only grains, or exporting an amount equal in value to imports. Some interpret it as reduced imports. The goals are:

1. To secure the commitment of the people through decentralized programs that involve the people in the development process.

2. To increase agricultural production through improved seeds, methods, appropriate implements, increased plant population, and timely operations. Labor-intensive methods will be emphasized.

3. To expand gainful employment opportunities in agriculture by changing land tenure, expanding jobs in intensive farming, food processing, off-farm work and collective enterprises.

4. To rehabilitate and stabilize the land base through soil and land conservation measures and a reduction in livestock numbers.

5. To use the land wisely.

6. To provide efficient support services by strengthening management, substance and delivery systems.

7. To mobilize financial resources by mobilizing the resources of the farmers, government and donors.

D. COMMERCE AND INDUSTRY

There is not a well-thought out program in this sector. The country will continue to try to attract industry by giving tax incentives, loans, and site and service help, rather than try to attract specific types of business, LNDC has been charged to find any industries willing to locate in Lesotho. These industries would do import substitution, use raw materials available within the country, take advantage of Lesotho's membership in the South African Customs Union, membership in SADCC, would have entitlement to duty-free imports into the European Community and U.S.A.

Through BEDCO the government is trying to encourage the development of small-scale industry.

General goals include the improvement of managerial skills, skill training, localization and the decentralization of industry.

E. PUBLIC SECTOR

The government will search for domestic sources of tax revenue to reduce the dependence on South African Customs Union receipts. The government will slow the sharp rises in government recurrent and capital budgets. This will be done through a freeze in employment and across the board spending cuts. The GOL is slowing down the implementation of foreign donor projects which need GOL expenditures. Contradicting this goal is a feeling that the government ought to be an employer of last resort.

Within the capital budget the emphasis by the government has been on the creation of infrastructure, especially road construction.

Woven through all the goals and objectives of the government is a single perception. This country is too vulnerable to decisions made in South Africa. The employment generation, increased food production, and tax and spending goals are designed to lessen dependency on South Africa.

VI. CONSTRAINTS

A. ECONOMIC CONSTRAINTS

The total value of production inside Lesotho by the resident population (GDP) was US\$200 per capita in 1979. The total value of production by nationals or residents of Lesotho whether in country or not (GNP) was US\$340 per capita in 1979. The difference is because nearly a third of the total labor force works in South Africa. Their remittances have resulted in GNP being 60 percent greater than GDP.

An economy as dependent as Lesotho's on a single export, men, and on a single export market, South Africa, thrives when the price of the export and the quantity exported are high. From 1972/73 to 1979/80, real GDP was able to grow by 3.9 percent per year. Real GNP grew at 11.3 percent.

Four times as many Basotho work in the South African formal sector as work in the Lesotho formal sector. Their remittances and deferred payments were

four times the total value of Lesotho's merchandise exports. Virtually all Lesotho's imports come from or through South Africa. Nearly all its exports are to South Africa or, as in the case of raw mohair and diamonds, marketed through South African firms.

The single major source of government revenue is receipts derived from the South African Customs Union. South Africa is the dominant member and it determines whether to change the formula, whether to accept Lesotho import figures (the basis of determining receipts), and what the tariffs will be. In recent years, the Customs Union receipts have fluctuated tremendously making long term government planning difficult. The receipts are usually around 70 percent of total government revenue. Lesotho has little in fiscal policy. It is tied to the South African currency through its membership in the Rand Monetary Area. The Lesotho Maloti is backed 100 percent by South African currency and securities. It trades at par with the Rand. There is little scope for independent monetary policy.

Lesotho has few natural resources apart from modest diamond deposits and the hydroelectric power potential of its rivers. Only about 15 percent of the land area is arable, and large areas, particularly in the lowlands around Maseru, suffer from erosion, population pressures and overgrazing. A bare subsistence income can be attained by growing wheat, maize and sorghum and herding cattle, sheep and goats. Lesotho is not self-sufficient in staple food grains and must import substantial amounts of food from South Africa.

While the yields per hectare are greater now than in the early 1970's, this is primarily because of the reduction in the cultivation of marginal land beginning in 1976/77. (This, in turn, was due to the large increase in the pay received by mine workers in South Africa which permitted less domestic food production). Even so, the yield per hectare for all the major crops has dropped steadily since 1976/77.

The physical nature of Lesotho is suitable for the production of livestock, and an estimated 75 percent of the land area can be used for pasture. Animal husbandry represents a principal source of income. Many rural people invest their savings in livestock, which is regarded as a reserve asset more than a commercial commodity. This sector is plagued by overgrazing, disease, poor feeding and generally deteriorating quality. Livestock exports have declined in recent years because of reduced South African quotas, and better quality livestock available elsewhere. Wool and mohair exports have stagnated. Government livestock marketing boards exacerbated the problem.

The manufacturing sector is exceptionally small; less than 4,000 people were employed in 1980. While employment has grown by 14 percent per year from 1975 to 1980, real output in the sector has averaged less than one percent per year growth.

Mining has been the fastest growing sector, due to the opening of a diamond mine. It employed just over 2 percent of the modern sector labor force and contributed 6 percent to GDP in 1980.

In the early 1970's gross fixed capital formation was well under 10 percent of total national resources (GDP plus imports). There was a large increase in investment in 1977/78 followed by a leveling off through to the present. The ratio of gross fixed capital formation to total resources is still low, just over 10 percent. Since 1976/77 all the increase in investment has been by the government. Two-thirds of the government investment was

in buildings and construction; mainly for roads, general administration and educational facilities. Since private savings is equal to 2.7 percent of total private resources available for investment, most investment is financed by government. This is increasingly through foreign assistance and borrowing since government revenue barely meets recurrent obligations. Rapidly rising official debt combined with rising interest rates have been a major factor forcing the government to reduce recurrent spending and to cut capital spending.

Without a change in the method of computing Customs Union revenue, or a large increase in foreign assistance, the government will not have the funds to maintain investment at even its current low level. The modern productive sector is too small and lacks a good base to employ more than a small fraction of the normal growth in the numbers seeking modern sector jobs; let alone any reduction in the numbers working in the South African mines.

B. EDUCATION SYSTEM

The government's manpower development/education objective is to maximize the utilization of people in productive activities, through development of relevant skills, knowledge and capacities. The existing education system has obvious constraints, the most serious of which are:

1. Transformation of rural agricultural production system requires a broader and more appropriate basic education, both through primary schooling and non-formal education for adult population. Existing primary schools suffer from extreme over-crowding, inadequate instructional materials, and a curriculum which does not provide pupils with essential elements of a basic education. The potential contribution primary schools can make to a rural community as centers for vocational education and appropriate instructional materials is not being realized.

2. Slow growth of employment opportunities in modern sector of economy in relation to very rapid growth of enrollments in secondary level academic schools is resulting in large numbers of youth with dysfunctional attitudes and knowledge. Their academic training does not provide skills needed for rural self-employment. There is very strong case for slowing the expansion of secondary level general education and diverting resources to more vocational/technical programs which would be related to the creation of rural productive activities and employment within Lesotho.

3. There has been sharp decline in quality of secondary level education, resulting in a critical shortage of qualified candidates for post-secondary scientific and technical training. Overall pass rates on the Cambridge Overseas School Certificate have declined from 51 percent in 1971 to 21 percent in 1980. There is likely to be a continuing shortage of students in fields of science, mathematics, and in technical and managerial studies, at the post-secondary level.

The resulting shortage of middle and high level technical and managerial manpower is a particularly serious constraint in implementation of Government plans and development of private enterprise. This shortage is most

acute in terms of skilled and experienced persons to plan, administer, and evaluate programs. The private sector still depends largely on expatriate technical and managerial personnel.

4. Lesotho National Manpower Development Secretariat lacks a system of regularly identifying its manpower requirements, and on the basis of this information planning appropriate training programs. While the nature of migratory labor system makes it difficult to project domestic requirements, it is nonetheless crucial to base planning for institutional training on reasonable estimates of future requirements and opportunities for employment. Such a planning system in the GOL does not exist at present.

5. The Ministry of Education does not have sufficient professional staff or institutional strength to determine policy, plan or implement a prioritized development plan. Planning, management and coordination of MOE's and donors' technical and financial resources are lacking.

6. Ninety percent of the schools are owned by Roman Catholic, Anglican and Lutheran Evangelical churches, resulting to date in an uncoordinated and sometimes duplicative system. MOE follows a loose policy of trying to involve churches and their school managers in planning and implementing policy and education programs at schools. GOL has some control over quality and effectiveness of schools through GOL training, GOL paying teacher salaries (although salaries are dispersed by school managers), development of curricula, setting terminal examinations and providing supervisory services through an inspectorate. At present this cooperation between the three main churches and MOE/GOL is minimal. Fiscal accountability is decentralized and accurate reports on teacher salaries, school fees, recurrent expenses for school programs are often unavailable.

C. ORGANIZATIONAL FRAMEWORK AND COORDINATION

The Government of Lesotho is administratively divided into a number of Ministries, which are in turn divided into various departments. Major policy decisions are made by the Cabinet and by Parliament. Budgetary approval and funding is done through the Ministry of Finance (Treasury). Personnel decisions, such as hirings, dismissals and promotions, are made by Cabinet Personnel

Major policy decisions as well as rules and regulations are made on the Cabinet and Parliament level which directly impact on the development of any new program. Some take the character of fixed standards and are applied regardless of previous commitments or special circumstances. Two recent decisions of this variety are: (1) that no new hirings of personnel can be made, unless specific approval is received from the MOE and Cabinet Personnel; and (2) that all Ministries' recurrent budgets were reduced by 10 percent in both FY 81/82 and 82/83.

The structure, as it now exists, does not allow for proper planning or for financial management in the sense of also including performance analysis and management reporting, financial forecasting, and financial planning in addition to compliance accounting.

Further, there is no real system or process which considers bilateral projects as "different" than internal projects and track them accordingly. This lack of differentiation is seen in the use of funds and in staffing.

Ministries have limited capability in managing their funding, nor does the MOF assist them to a significant extent. Manpower assessment and planning has been almost non-existent to date. Overcoming these weaknesses is a fundamental part of the efforts needed to improve GOL operations and efficiency.

D. FUNDING

Funding on the part of the GOL could be a constraint to program development. (See projections in Agricultural Sector Survey) The GOL has not, in the past, evaluated the costs of external assistance on its own resources, both in terms of limited man hours of its senior staff, the recurrent staff costs during the period of external assistance, and the cost of continuing a project after external assistance is ended. Recent GOL budgetary limitations necessitated by reduced customs revenues are going to be required for some time.

It is expected that the GOL will view manpower development and staff education training as an area of high priority. The inflexible and undifferentiated manner in which recent budget cuts were implemented and all parts is not indicative of adherence to stated priorities or established agreements. A determination must be made of the GOL's level of commitment to manpower development and its willingness to utilize resources for the support of such a program.

The GOL does not have the capability of determining the manpower and financial implications of accepting bilateral assistance, nor of the costs of initiating its own new programs. These weaknesses are centered in the MOF, but carry across all ministries. The GOL must create the capability to internally plan, coordinate and manage its financial operations in a logical, well-conceived manner.

E. DONOR SUPPORT

Over twenty donors are programming approximately forty projects in the Education and Training Sector. Up to now the MOE has been able to give only limited supervision and coordination to these projects. However, it is making the strides which can eventually give it the ability to coordinate all donor assistance and to meld it into the MOE's policy and strategy. The current Education Sector Survey is charged with recommending a strategy encompassing government, private, and donor efforts. Through technical assistance, consultancies, and training USAID, the World Bank, and the UNDP have all played an active role in planning and researching this survey and related efforts.

The World Bank, the UN, the UK, and USAID are among the leading donors in the sector. USAID's focus is on (1) basic education through assistance to the Instructional Materials Resource Center; (2) development of immediately productive skills through assistance to the Lesotho Distance

Teaching Center, the Lesotho Opportunities Industrialization Center, and the Institute for Extra-Mural Studies; and (3) planning and management through technical assistance and training for the MOE and other manpower related institutions.

The World Bank is assisting in establishing the range of facilities necessary for a complete education system. This includes the construction of the National Curriculum Development Center for primary and secondary curricula, construction of primary and secondary classrooms, and construction of vocational and technical training facilities. It also includes provision of textbooks and other supplies. Both DANIDA and UNESCO provided for the construction and the development program of the National Teachers Training College for primary and secondary teachers.

The UK and the UNDP provide technical assistance throughout the sector with special emphasis on the NTTC and the National University of Lesotho. Other donors provide teachers for various institutions throughout the sector and sponsor individual training institutions such as the Irish support for the Center for Accountancy Studies and Canadian support for the Institute for Development Management. A wide variety of donors provide a wide variety of scholarships for training abroad and funds for in-service training in Lesotho.

The large number of donors and projects places a burden on the government to coordinate activities and to oversee operations. As of now there is no single office responsible for coordinating donor activities, for making sure that GOL inputs are dispatched on time, or even to insure that those accounts that are reimbursable by foreign donors are billed when due. Lesotho's priorities have often been determined ex-post, that is, based on where the donors are placing their money. Because the GOL's budget system is not project oriented, most donors require the responsible ministry to keep a separate set of accounts in the form that the donor requires. Another part of the impact of having a large number of donors with lack of central coordination is that the GOL is not aware of the cumulative impact that donor projects are having on the recurrent budget. It is reported that the GOL has recently discovered that if the GOL contribution to donor projects were fully funded, there would be little money left for those projects with donors were unwilling to fund. The MOE's sector review will attempt to construct a framework within which donor projects will be integrated and their effects will be known.

F. DATA BASE

The assessment team has been constrained, as have the efforts of many other research and evaluation groups, by the severe lack of reliable data in Lesotho. Although some data have been collected, such data are not readily available, are highly inconsistent, are often not verifiable and are based on numerous alternative assumptions, for example, with regard to distribution of food and other items to schools.

The GOL has a weak and poorly supported bureau of statistics. No GOL spending audit has been available for the last five years. Often the collection of information must be designed and carried out by each individual Ministry, Department or visiting group. Visitors and GOL staff alike are faced with the up-hill task of finding reports and statistics where they

can. When these are found, they are fraught with inconsistencies.

This unreliability of data makes the work of planners and evaluators difficult. Unless source material can be found and verified, conclusions reached are necessarily weaker and less reliable than they ought to be. It is felt that for the general purposes of this assessment the extent information was sufficient to show general trends and directions, but where more detail may be required, the data base is not reliable. For the purposes of evaluating and planning activities, Lesotho needs a proper system of collecting, collating and disseminating reliable data. Figures on such diverse topics as labor force breakdowns, manufacturing outputs, acreage under various crops, livestock units, population and immigration and many others are essential to proper action and planning, both in the private and public sectors.

VII. AID MANPOWER AND EDUCATION PROJECTS

At present, AID has 11 ongoing projects in Lesotho that contain training as a major component. This training is both formal long-term and short-term in nature, as well as having an on-the-job component. Many of these projects will be continued beyond their present completion dates. Those that would be considered under an umbrella manpower development and education program are discussed briefly. They include:

Instructional Materials Resource Center (632-0061);

Manpower Development and Training (632-0069);

National University of Lesotho (632-0080);

Structuring Non-Formal Education Resources (931-1054); and

Lesotho Opportunities Industrialization Center OPG (632-0217).

Health, energy and agriculture projects also have major training components, but they tend to be more highly specialized and funded from different budgets.

The IMRC project has consisted of technical assistance (five advisors currently), training of staff, purchase of commodities and the construction of facilities. These inputs are designed to help develop the ability to design and produce appropriate instructional materials. The project, after initial delays, has made significant progress in creating the framework needed for MOE instructional materials and curriculum development. The major difficulty now is the recruitment and training of the required complement of staff, a process that may take some years beyond the planned PACD project duration of early 1984.

The assistance to the Institute of Extra-Mural Studies (IEMS) has consisted of AID technical assistance, training of local staff, the purchase of commodities and the construction of a NFE facility. Some temporary budgetary support (staff salaries) has been provided. The Project is designed to improve and expand the IEMS courses of study for adult education. The project is in a

preliminary stage, the four technicians are just now all in place, facilities are being designed and commodities are on order. No major problems are yet visible, except the need for additional staff (local) in some department is evident. The project is scheduled to continue to 1986.

The LDTC project of assistance to the Service Agency and Research Divisions has been in process since 1979. Technical assistance, training, construction and commodities have all been provided. There have been difficulties with staffing (both local and expatriate), GOL funding for required local staff has been only partially secured and organizational weaknesses. Some training has been done, but not at expected levels. Facilities and commodities have been provided. The project seeks to strengthen the LDTC Service Agency, a body which assists rural institutions in their non-formal education efforts and private income enterprises with materials and training. Problems have been encountered in the ability of the LDTC to pursue its mandate vigorously, yet some improvement has been made recently. The PACD is not expected to extend beyond 1984.

The major AID education training project in Lesotho is the Manpower Development and Training Project. This project provides both technical assistance and counterpart training in selected specialist areas. The project is designed to help the GOL strengthen its planning, designing and implementing ability for economic and social development programs by providing staff and long-term training for their replacements. Some 220 person years of long-term training is provided and there are currently twenty-two long-term technical assistance personnel occupying GOL line positions at this time. More than 135 Basotho are receiving or have received long-term training to date. The major difficulties are finding sufficiently qualified Basotho from established posts for training and the coordination of that training with work experience with the technical assistant. This project is scheduled for completion in 1985.

The PVO Lesotho Opportunities Industrialization Center project has consisted of technical assistance, staff training and purchase of commodities. The inputs of this five year project (1978-83) are designed to provide vocational/technical skills in masonry, carpentry, plumbing, sheet metal, management and entrepreneurship to primary and secondary school leavers. The project has a unique counseling and on the job placement program which has been quite successful in placing trainees in the construction industry. The III World Bank loan is providing funds for the construction of a well-equipped facility.

VIII CONCLUSIONS AND RECOMMENDATIONS

From the preceding chapters a number of basic conclusions are derived. They reflect the team's perception of Lesotho's economy and administration, and the role that education/training can play in development. They are:

--Lesotho is a highly dependent economy where decisions made in South Africa have determined the nature of economic development in Lesotho.

--The modern sector of the economy is small and unlikely to develop fast enough to absorb all those people who will be seeking modern sector jobs.

--Within the modern sector there is a shortage of people with technical, managerial, financial and science-related skills.

--The formal education system over-emphasizes academic content and the progression of students to successive levels of education; the system is not geared to early leavers nor does it provide basic rural skills.

--There is a lack of financial management and planning capability within the GOL.

--Donor-assisted projects are accepted by the GOL without complete consideration of the long-term implications of the assistance.

--There is little coordination of activities within or between the Ministries, although the basic GOL objectives are progressive and development-oriented.

--Lesotho has very limited amounts of raw materials, has poor farm land and inadequate industrial base from which to fuel growth.

--The agricultural and livestock sectors of the economy have stagnated, given current land utilization and methodology, there is a surplus of people working in these sectors.

--Lesotho has a large pool of disciplined, semi-skilled people, some unutilized land, hydro-electric potential, and a fair road network and infrastructure.

--The government has a limited revenue base and is highly dependent on the receipts from the South African Customs Union.

--The data base and system of collection in Lesotho is inadequate for proper evaluation and planning.

--Although trained Basotho often work in South Africa, Lesotho still benefits through remittances and savings in services.

--The imbalances in the supply and demand for labor in Lesotho will cause more people to seek jobs in South Africa, increase use of marginal lands, and the informal service sector will grow.

The stated approach of the A.I.D. assistance strategy in Lesotho is to stimulate rural based income and employment centering on income self-sufficiency for the rural population. This is to be achieved through expanding income from commercialized, labor intensive livestock activities and crop production as well as conservation of natural resources. This assessment reaffirms this approach and notes, further, that AID must prioritize and focus its assistance in areas which can be affected by its own limited resources and which can best use the expertise gained in the past. The agricultural sector assessment undertaken as a companion to this assessment, this assessment, and A.I.D. experience in development assistance to Lesotho over the past several years indicate that two pervasive constraints to increased domestic income and employment lie in the education and human resources sector:

--limited skills in the institutions required to support agricultural development and limited skills among those engaged in agricultural and related productive activities

--limited ability centering on financial management and planning to plan and manage the use of development resources, causing wastage of significant amounts of funding and other resources

AID should focus its efforts in a systematic, coordinated way on those institutions which make an impact on these human resource problems.

Individual projects or assistance efforts would be directed towards program objectives and integrated into the entire assistance effort. Such an approach would have numerous distinct advantages. It would provide an extended program period under which assistance efforts could be carried out (five years). It would allow funding to be shifted readily to those projects which are most successful and allow rapid termination of unsuccessful efforts. The program mode would help make assistance more cohesive and inter-related, since the purpose and direction would be common in all efforts. Projects sometimes fail because they operate in isolation and do not get the full support required. Also such an approach would allow AID to concentrate its efforts on program implementation, help decentralize the decision-making process and eliminate lengthy delays and procedures required for each project. The recent and ongoing cutbacks in AID staffing and AID budgetary constraints should be factors in the establishment of a development strategy. The sectoral program mode helps lessen overseas assistance requirements and allows increased local autonomy and responsibility.

There are a great number of options available in the way AID assistance could be used in the manpower development and education sector in Lesotho. These options should be limited to areas where there is an identifiable potential for success, where limited resources of technical assistance and training can have a major impact and where AID (or supporting organization) has had working experience. The optional approaches to assistance are grouped under the categories of financial management, planning, vocational skills, and agriculture, science education, and basic education. This does not imply that USAID will fund all these options.

A. Financial Management - This area is at a point where there now exist some of the basic building blocks of financial management and control centering on compliance accounting. The purpose of assistance in this area would be to

move beyond this point to a system that would also include operational performance analysis and management reporting, financial forecasting, short term financial planning, and long term planning organized into an integrated and disciplined system. Further, linking the functions of compliance accounting (Accountant General), budgetary management (Ministry of Finance), and development planning (Ministry of Planning) could both improve allocations of scarce resources and make responsible offices and individuals accountable for their use. Options to achieve this objective include:

1. The placement of financial managers (expert technical assistance) in line positions in key GOL Ministries, namely, Finance, Planning, Rural Development, Education, Works, Agriculture and Health.
2. Long-term training will be provided to financial manager counterparts. These counterparts will replace the line financial managers, after their training, with a significant overlap and period of in-service training.
3. A team will help the MOF design budget formats specific for various Ministries and Departments to improve the budgeting for planning and financial analysis. In-service training will be provided for staff responsible for the drafting, submittal, implementation and analysis of such budgets.
4. A group, followed by long-term technical assistance, will help the MOF formulate an external aid department. This department will monitor all donor assistance in Lesotho, coordinate counterpart contributions and prepare all costing estimates and their implications on future budgets and staffing requirements.
5. The provision of specialized training for key personnel in the MOF and other selected Ministries. Such training would consist of the performance of budget planning, variance analysis, feasibility studies, cost analyses and forecasting.
6. Assistance will be provided to specialized management institutions, like IDM and LIPA, with appropriate technical assistance, training for staff, participant funding, and possibly with limited commodity support.

B. Planning - The purpose of assistance in this area would be to flesh out planning capacities in those areas most directly related to rural income and employment and which complement efforts in financial management. Specific options include:

1. The provision of specialized training in forecasting and planning techniques to staff in the planning units.
2. Assistance with determining the specific line duties and authority of planning units and their specific roles.
3. Assistance with increased technical assistance and training to the Ministry of Planning in the redesign of the National Manpower Development Secretariat. Such a redesign effort will

include a GOL planning manpower function, expanded staff, research capabilities and increased responsibilities within the GOL.

C. Vocational Skills - Options include:

1. Technical assistance, staff training and commodities for the expansion and improvement of selected vocational/agricultural institutes and vocational secondary schools.
2. Financial assistance to projects which improve vocational skills and have on-the-job training.

D. Agriculture and Science Education - Options include:

1. Assistance to such institutions as LAC and/or the NTTC through additional technical assistance, training and commodities. Such assistance will be both administrative (in management, finance and planning) and in actual instruction curriculum development and teaching.
2. Continued assistance to non-formal education, through technical assistance and training at the IMRC, IEMS and LDTC, as well as to other organizations carrying out NFE.

It has been assumed by the assessment team that funding for manpower development/education assistance will continue at the current level. Overall obligations have been roughly U.S.\$4 million per annum. This figure, for a total of U.S.\$20 million for the period 1985-1989, is used as a rough guideline.

In assistance to the financial management of certain Ministries, we see an estimated 20 person years of technical assistance being required, coupled with some 30 person years of long-term overseas training. To assist with budget design and installation a three-person team for four months will be needed. For the establishment of the external aid sector, technical assistance of four person years and counterpart training for about six person years is considered necessary. Support for specialized management institutes might equal six person years of technical assistance and counterpart training for an additional six years. The total cost for the period is roughly estimated at U.S.\$6 million.

To assist and establish certain planning units it is felt that 20 person years of technical assistance and perhaps 15 person years of counterpart training will be required. To redesign and strengthen the NMDS, technical assistance for six person years and counterpart training for 12 person years will be needed. The estimated cost is U.S.\$5 million.

For vocational and specialized skill training support, it is estimated that some 20 person years of technical assistance with 20 person years of African training of counterparts will be needed. Limited financial assistance to vocational skills development projects might also be provided. The cost is estimated at U.S.\$4 million for the five year period.

Support for the LAC and/or NTTC, in the form of 20 person years of technical assistance, some 24 person years of counterpart overseas training and minor commodity assistance, would be provided. Support with technical assistance (short-term), some training (specialized) and commodity procurement would be provided to various non-formal education (NFE) centers and special agricultural institutions. The estimated cost for the period is U.S.\$5 million. Funding institutional support to LAC might be provided through agriculture sector grants.

E. Basic Education

The options shown above are by no means the only alternative approaches that might be used. The above options offer flexibility and less concentration of effort, but do not directly impact the major bottlenecks of Lesotho. That is, some 70% of all new students will not complete primary school. In present circumstances these schools do not teach skills which help them in the rural areas and in agriculture.

To make a major impact on these school students, continued substantial changes have to be made in the training of primary teachers, in the curriculum presented to the students and in the facilities available to the teachers and students. The major institutions which do affect these areas are the NTTC, NCDC/IMRC and the education secretariat. Major assistance, using the NTTC as the focal point and channeling agent for all assistance, would have the following appearance:

Funds allocated in the option showing vocational and specialized skill training (U.S.\$4 million) will be allocated to the NTTC, NCDC and IMRC. This boosts the level of technical assistance to 36 person years and counterpart training to 44 person years. Commodity support would also be increased. The total support would therefore be roughly U.S.\$9 million for the five year period.

This effort would impact on more people than those options addressed by specialized training schools. The NTTC is a weak institution, but it is the only training center for primary school teachers. The infrastructure and procedures used by NTTC seem basically sound and an improvement in the quality and number of trainers, improvement in the materials they present to new and in-service teachers, and the provision of additional instructional materials will enable the NTTC to better prepare teachers for their critical development role.