

# LESOTHO

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The landlocked, 30,350-square-kilometer nation of Lesotho is an independent constitutional monarchy surrounded by the Republic of South Africa. In 1998, the population of this landlocked country was 2.1 million people, and the gross domestic product was estimated to be \$870 million (World Bank, September 3, 1999, Lesotho at a glance, accessed November 26, 1999, via URL <http://www.worldbank.org/data/country/countrydata.html>). A political crisis erupted in 1998. Alleged voting fraud during the May 23 national elections resulted in civil riots and, in September, a military mutiny. The Government invited the insertion of a regional military task force from the Southern African Development Community that subsequently restored civil order (Sechaba Ka'Nkosi, January 22, 1999, Lesotho simmers once again, *Daily Mail & Guardian*, accessed November 28, 1999, at URL <http://www.mg.co.za/mg/news/99jan2/22jan-lesotho.html>).

Lesotho has long been known as a source of diamonds, mostly from alluvial deposits, but mineral production in Lesotho was not a significant part of the economy. Artisanal miners also produced a small amount of clay, crushed stone, and sand and gravel for domestic consumption. Government revenue was generated from the sale of water to South Africa through the Lesotho Highlands Water Project in the Maluti Mountains. Additionally, repatriated wages from Basotho miners working in the South African gold mines traditionally

have contributed significantly to national income. However, the collapse of international gold prices and resultant downsizing of the South African gold industry labor force lead to layoffs of substantial numbers of Basotho miners (MISAnet/Africa Information Afrique, October 20, 1998, Retrenchment of miners adds to reconstruction woes of Lesotho, accessed October 20, 1998, at URL <http://www.woza.co.za/forum/lesothowoes.htm>).

International commercial interest in the mineral resources of Lesotho was limited to diamonds. During 1998, the lack of funding resulted in the temporary suspension of activity on Messina Diamond Corp. of Canada's Lihobong kimberlite project (Messina Diamond Corp., 1999). DiamondWorks Ltd. of Canada evaluated its portion of the Kao kimberlite pipe and was negotiating to acquire additional interest in the pipe from a local company.

## Reference Cited

Messina Diamond Corp., 1999, Annual information form: Messina Diamond Corp., May 18, 13 p.

## Major Source of Information

Departments of Mines and Geology  
Ministry of Water, Energy and Mining  
Maseru, Lesotho