

Large Dam–Induced Displacements, Compensation and Conflicts: Interpreting Conflict Over LHWP II Implementation in Lesotho

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Abstract

The Lesotho Highlands Water Project Phase II (LHWP II) implementation in Mokhotlong district has generated bitter conflict between affected communities and the Lesotho Highlands Development Authority (LHDA). This conflict has been explained in terms of dissatisfaction by affected communities over compensation. This article argues that the compensation question is complex and that the LHDA failed to appreciate the complexity of the issue. As a result, it did not grasp the realities of displacement and resettlement and treated community losses like a transaction, which could be traded off at market value. It, thus, stresses the significance of the socio-cultural element and the need to consider this for any compensation policy. The conclusion is that conflict occurred due to the gap between the compensation package and realities of losses, which could result in the impoverishment of affected households.

Keywords: Compensation, conflict, dam construction, displacement, LHWP, Lesotho

Introduction

Displacement and involuntary resettlement of local communities have been steady companions of large dam developments the world over. Mostly such communities depend and survive on the natural environment (Terminski, 2013). The costs they bear for deprivation caused by dislocation are usually framed in terms of compensation packages, which often fail to capture the real losses incurred, thus leading to impoverishment (Cernea, 2003). Deprivation due to dislocations caused by large dam development is both tangible and intangible. Interestingly, hydro-authorities often consider and provide compensation for tangible assets. Hydro-authorities have become powerful actors in large dam development, with both legal support and financial might. Those dam projects that they drive are often national projects and are categorised as projects of national interest, which should be implemented at all costs. The affected communities seldom have a choice or decision to make in their developments (Hausermann, 2018). Hydro-authorities drive implementation, oversee relocations and resettlement of affected communities, as well as provide compensation. However, executing such a mandate has not come without its own challenges.

Given the fundamental negative impacts associated with displacements, the development of large dam projects has been characterised by conflicts as communities affected by such developments often contest their displacement and associated deprivations and reparations offered for their troubles (World Commission on Dams, 2000). They regularly find support from civil society organisations opposed to large dam developments, which play active mobilisation and advisory roles as the communities engage hydro-authorities (Mathur, 2011; Nayak, 2010). For example, in Lesotho's Mokhotlong district, communities affected by the implementation of the Lesotho Highlands Water Project (LHWP Phase II), organised into the Survivors of Lesotho Dams (SOLD), and challenged the Lesotho Highlands Development Authority (LHDA) over the handling of their displacement, resettlement, and compensation.

At the core of this article is an examination of the dynamics of the conflict, and in particular, the significance of compensation in this conflict, and how different parties understand the losses and deprivations resulting from the implementation of the project. Though the role of the hydro-authority in developing the policy that guided the compensation package is widely acknowledged, what has been less acknowledged and even less appreciated is that the compensation did not reflect the realities of individual and community losses. In Lesotho, as in many similar cases, compensation was calculated at the market value of tangible assets. Yet, the nature of deprivations and losses was complex and went beyond tangible assets that could be attached a price (Matlosa, 1998).

This article will show how intangible assets that would be lost are a significant aspect of people's existence, and that the implementation of the project (through the development of the dam) would cause major disruptions to people's social system. Thus, it will highlight the realities of community and individual losses and, particularly, how intangible social aspects shape the social and economic life of affected communities, and how failure to factor these into the compensation policy would leave these communities worse off than they were before displacement. Therefore, for the communities affected by Phase II implementation, it is important to understand the social context and how their responses are historically and socially informed.

After presenting the methodology, this article provides a brief historical overview of the LHWP. The following section presents a profile of the communities, which would be negatively impacted by the implementation of the LHWP II. This is followed by an examination of compensation provisions for victims of the LHWP II implementation. Lastly, the article examines the realities of losses. The section attempts to demonstrate the gap between what the LHDA was willing to compensate and the real losses or deprivations suffered by households.

A Note on Methodology

The article draws on ethnographic research conducted in Malingoaneng in Mokhotlong district in 2019 and 2020. While this research focused broadly on the LHWP II implementation and the dynamics of interaction among actors, this analysis draws data specific to the dynamics of conflict between the affected communities and the hydro-authority (LHDA), with specific emphasis on understanding the dynamics around compensation and realities of

individual and community deprivations due to dam construction, as well as the significance of experiences of Phase I implementation. Extended visits were made to Malingoaneng, which provided empirical insights into the social environment, historical context, perceptions on the dam construction, interaction with LHDA officials, displacement and resettlement and the realities of losses.¹ To gather data, the study utilised both the participatory and non-participatory observation methods as well as open-ended discussions. Over 250 interviews were conducted with community members, non-governmental and LHDA officials between November 2019 and October 2020.²

The Lesotho Highlands Water Project and Compensation

The LHWP, 'a multi-phased and controversial...development project' (Mashinini, 2010, p. 1), was established in 1986 following a treaty signed between the governments of Lesotho and South Africa (Horta, 1995; Mwangi, 2007). The project had a dual mandate—to supply water to South Africa's Gauteng Province, with Lesotho receiving royalties and other development benefits (including infrastructural development), and to generate hydropower for Lesotho—making it a project of mutual benefit to both countries (Matlosa, 1998; Nusser, 2003). Besides, the project had some poverty reduction impacts as it was assumed that the socio-economic benefits to Lesotho in general and the highlands region in particular would trickle down to the local communities. This has, however, been highly contested by sections of scholarship, which has argued that instead of positive change, the project has had negative social impacts, including social suffering, deprivation, disease and death, and poverty among highlands communities (Mashinini, 2010; Matlosa, 1998; Mwangi, 2007).

Although negative social impacts are expected in any dam construction, as this article, like certain sections of scholarship, has argued, the LHDA mishandled the compensation question (see Matlosa, 1998). The LHDA was established, after the signing of the treaty, to formulate policies and to drive the implementation of the four proposed phases of the LHWP. Although implementation concerned the development of a network of dams to harness water for South African use, the authority's responsibility extended to issues of resettling and compensating people affected by the project (Nusser, 2003). By 'compensation,' this article means the assistance (whether financial or in kind) payable to affected households for losses and deprivations suffered due to the implementation of the project. Large dam projects are often associated with the huge social cost of involuntary resettlement, as people lose settlements, agricultural land, and other livelihood resources (Nusser, 2003; World Commission on Dams, 2000).

As Matlosa (1998, p. 39) pointed out, the implementation of the first two phases of the LHWP (Phases 1A and 1B) deprived people of land, both arable and for grazing, as well as land for settlements, while some households were displaced. He argued:

...two critical pillars of the Highland economy are under threat as a result of the LHWP. These are land (arable and residential) and livestock (as grazing land progressively shrinks), valuable food-producing land will be lost. Food supply and food security for the Highlands communities is at serious risk. Income from the sale of animals will dwindle. (Matlosa, 1998, p. 39)

For one thing, the Phase 1A and 1B implementation displaced and relocated a total of 527 households, while 27,000 suffered a variety of deprivations (Hitchcock, 2015). According to the literature and studies on the LHWP, 3,000 ha of arable land and an equivalent in grazing land were appropriated, which affected 3,000 households (Matlosa, 1998). Furthermore, an additional 1,000 households lost around 1,000 ha when Phase 1B was implemented (Mashinini, 2010). The land loss was related to the development of the Mohale dam, its reservoir, and accompanying projects.

Together, the land appropriation deprived households in the highlands of a key livelihood source, thus plunging them into a deeper livelihood crisis (Matlosa, 1998; Nusser, 2003). It is a paradox, however, that the Lesotho and South African governments had undertaken to safeguard their welfare and avoid their conditions worsening as a result of the project. Still, the two governments appear to have taken for granted the implications in terms of livelihoods and welfare, resulting from the project. Matlosa (1998, p. 39) observed:

Compensation for affected communities has so far taken the form of grain and pulses for households that lost farmland originally planned to cover a 15-year period; fodder payment for loss of grazing land for a period of five years; cash payment for households that lost less than 1,000 sq metres of land; replacement of individually owned trees by five seedlings of the same or another acceptable species; and replacement housing for those whose homes were demolished for project purposes.

While there were changes to the compensation package during Phase 1B, gaps remained in relation to the compensation package, as some of the proposed changes could not be implemented. Indications from studies are that some households could not rebuild their livelihoods, and some resettlement areas had no water and were poor in other natural resources (Gleick, 2000; Nusser, 2003). To add to this, the payment of compensation was delayed, leading to some households being resettled before they were compensated (Nusser, 2003).

Of note here is that the 'land-to-land compensation' opportunity introduced by the LHDA during Phase 1B could not improve households' welfare and failed to solve the burning question related to inheritance (Matlosa, 1998, p. 41). Depending on the existing alternative, the affected households either relocated to the lowlands or peri-urban areas, which were two completely different environments from the highlands (Archer, 1995).³ Other reforms, such as the provision of compensation beyond 15 years and the 'establishment of compensation measures for people with secondary rights to land or property,' could not address the basic principle of 'social justice' and 'stable livelihoods in future' (Matlosa, 1998, p. 40).⁴

Despite the adverse social impacts of the implementation of Phase I, the implementation of the second phase (Phase II) began following the signing in August 2011 of the LHWP II Agreement. The implementation of the phase had three components: first, building the Polihali dam reservoir in Mokhotlong district; second, constructing a 38-km tunnel joining the Katse dam and related infrastructure (including the construction of roads and bridges, supply of electricity, and telecommunications services); and last, building the Kobong Storage Pump Scheme (LHDA, 2016). Phase II, particularly the building of the reservoir, will submerge about 5,040 ha, with arable land estimated to be 1,128 ha while about 272 households would be

displaced (LHDA, 2016). These households are, therefore, subject to increased vulnerabilities and their livelihoods and socio-economic status will be significantly impacted (LHDA, 2016). It was this history together with the LHDA's highly technical approach which set the scene for the conflict and struggles by households for just compensation.

Setting the Scene

While grouped into several village settlements, under different sub-chiefs, the Malingoangeng people belong to the Batlokoa lineage, under Principal Chief Qethu Sekonyela. The lineage claims rights to this part of Mokhotlong district through history. According to oral history, the occupation of the area dates back to the late 1880s, when Lelingoana Sekonyela was granted rights to occupy the east of Malibamatso River and north of the river Senqu by King Moshoeshe, following his role in the Gun War of 1881. This oral history goes on to say, Chief Lelingoana resisted attempts by Paramount Chief Lerotholi to appoint Chief Seeiso as Principal Chief of the area, by declaring rights to the territory as its founder. The Batlokoa were finally granted rights to the area in 1946 by the colonial administration, which conferred the senior chieftainship to Mosuoe, the successor of Lelingoana (Quinlan, 1996). Because of this historical lineage, the area is called Malingoaneng, in honour of Chief Lelingoana.

The Malingoaneng communities will be widely affected by the development of the new dam when Phase II of the LHWP is implemented. The project work and preparations for dam construction, such as developing the roads to the Polihali dam site, establishment of settlement camps for constructors, quarrying and blasting, as well as some of the project activities, have already disrupted households' socio-economic lives, while some households have lost their land.

Present-day Malingoaneng, like most of Mokhotlong district, occupies the slopes of the mountain range adjacent to the Khubelu River, with the mountain range providing a protective shield against heavy rains and storms, as well as strong winds.⁵ It is also in this area where the construction camp has been established. Even more significantly, much of this area has already been lost to the community since it is now part of the Polihali Dam Project area. In practical terms, the designation of the land as a project area means that around 10 villages would be relocated and resettled elsewhere. The villages are located south of the Main North 1 road, which is the only access to Maseru City and neighbouring South Africa.⁶ The highway also passes through Mapholaneng, which serves as a semi-urbanised service centre for these rural communities. This centre forms a central component of the socio-economic system and provides essential services including supermarkets, government offices, education facility (Mapholaneng High School), a clinic, a police station, ATMs and a Post Office Bank, and places for recreation. Depending on the extent of deprivation, these components of socio-economic life are going to be lost to some households, since the land identified for resettlement is located on the upper ranges of the mountain and is remote.

Malingoaneng falls on the Maloti region and is characterised by rainy summers and snowy winters, with temperatures ranging between -2 and 12 degrees Celsius, and average rainfall of between 600 mm and 1,044 mm per annum.⁷ While the mountains are characterised by

shallow and immature soils, deeper soils can be found where the topography is flat enough to permit colluvium accumulation. Situated on the lower mountain plateau, most villages in Malingoaneng occupy land of more productive soils compared to those on the mountainous parts because of a topography that allows for the deposit of weathered mountain soils. The land by the river and near the village is the most fertile.

Taking advantage of the natural environment, villagers produce both summer and winter crops and livestock such as sheep and goats. The setting is ideal for these agricultural activities—fields are located on the lower slopes and flatter surfaces, while livestock (both small and big) are grazed either on the mountains, river banks, and land that is not fit for cultivation, or cattle posts. In the fields, crops such as maize, beans, peas, potatoes, and sorghum (some of which are sold for income) are produced.⁸ Smaller livestock, such as goats and sheep, provide a stable source of income for households and are produced with some success in these parts because of the dominance of shrubs. Ownership of these animals, such as cattle, is a symbol of wealth and social status valued both quantitatively and qualitatively in the region and country.

Depending on the social status of a household, either cattle or horses and donkeys, are a source of draft power. Richer households command a number of ox or horse ploughing units (locally referred to as *spans*) and perform agricultural tasks with the assistance of social networks. Other households engage in resource pooling, which is a central aspect of a rural production system. Along river banks, households own small fields (*lentloane*), where they produce horticultural crops. Due to the high demand for energy, some households own tree plantations. What this description tells us is that households stand to lose more than just assets, but an environment that has long supported both livelihoods and social reproduction. However, standard compensation models often ignore these aspects, which are central to social reproduction, livelihood building, and a society's very existence.

Compensation for LHWP Phase II Implementation

The compensation policy constituted a framework in terms of determining compensation for individual and community deprivations. Using the LHWP I Compensation Policy and LHWP II Feasibility Studies as a guide, the LHDA determined the compensation package for households that would be affected by the project.⁹ The compensation policy, according to the LHDA, resulted from an extensive process of consultations among major stakeholders, including the affected communities (LHDA, 2016). In other words, the compensation policy resulted from meetings and gatherings that were organised by LHDA officials to engage affected communities on the dam project and to listen to their concerns and submission.

As noted from the study, the LHDA officials solely drafted the compensation package and only distributed it to the affected communities, their local councillors, and chiefs. They also ensured that its contents were understood by printing both English and Sotho versions. The LHDA also put into place democratic community-level structures in the form of the Area Liaison Committees and Combined Area Liaison Committees, which were voted by the people. These were considered part of the consultative structure and were expected to offer a channel for the flow of information between communities and LHDA.

However, the affected communities and the civil society organisations have disputed the consultation aspect, arguing that they had no inputs in the compensation package and that the LHDA ignored their submissions. The affected communities feel that they were compelled to accept an unfavourable outcome and were deceived by LHDA officials into buying into the project. The deceit was explained by an official from one civil society organisation during an interview:

The officials from the LHDA understood that the task of convincing people will not be easy. They were bound to face massive resistance judging from their experience with Phase I. As a result, they approached the community and called meetings, which they indicated were going to be an on-going process of consultation. They also focused on the benefits that the project would bring, and promised people employment, which in a context of growing unemployment and poverty, became a major draw card. (Interview with Ntate Ketsi, 2020)

To these people, the meetings were important since they would allow them to engage with the authority. They remembered these meetings that were organised by the LHDA officials to share information. They agreed that the officials engaged them on the project and sought their views and ideas on a number of issues. This allayed their fears of a repetition of the experiences of communities affected by the Phase I implementation. However, they also told of their disappointment, when they realised that these were not consultations, but mere information sessions, where they had no say. A community member remembered:

They told us about the dam that was going to be constructed, and that we were going to lose our land and would be relocated. They did not come to negotiate. They never asked us whether we wanted the dam to be constructed in our area, or whether we wanted to move. The decision was already made, and we had no say, no choice, and no power...We simply had to accept like children. (Interview with Ntate Ramoepa, 2019)

Another told of the power dynamics and how the authority used its power to achieve its objectives at the expense of those who would be affected by the project.

They acted like bullies. They bullied us, and showed little concern for our situation. We felt like squatters, with no right to our own place...people that could be moved at the blink of an eye. We were powerless to resist. The LHDA is a government agent, and has so much power, which it used to appropriate our land and assets. I did not want to lose my land, but I was informed it is within the dam area. We had to move, whether we wanted or not. The LHDA has taken over our land. No negotiations ... (Interview with Ntate Pelesa, 2019)

It would be unfair to blame the people for believing that the LHDA acted in bad faith, which has led to their mistrust of the authority. The LHDA officials, of course, held meetings and appointed liaison officers, but these were only meant to pacify people. This understanding emerged in interviews:

These meetings were a waste of time. They called meetings, took our time, when they knew they had already made their decisions. We made contributions, but none of these were ever considered. The LHDA had the final say in everything. Then you should ask yourself, what was the use of these meetings, if none of our views were considered? (Interview with Me'Likhabiso, 2019)

You can call these meetings worthless. We attended these meetings and shared our ideas, and thought we were contributing to a process that would assist the LHDA to come up with informed outcomes. Yet, the outcomes were already known to them. You can call this treachery. How can they determine what we have lost? How do they know what we are going to lose? (Interview with Ntate Phetang, 2019)

Many of the community concerns that were submitted did not feature in the compensation policy produced by the LHDA. Thus, an issue of concern for the affected people was that of compensation, which people believe was stage-managed, and that the compensation package was imposed on them.

Surprisingly, compensation was a subject that was heavily debated in consultative meetings. In meetings, people proposed for fair compensation, guided by deprivations due to the construction of the dam. However, the compensation package proposed by the LHDA failed to consider the totality of deprivations. Instead, the LHDA went back to the framework used to compensate victims of the Phase I implementation, albeit with some minor adjustments.

A very contentious issue was the 50-year compensation period, which the authority considered as a fair compromise from the initial position to offer a one-off payment in a lump sum. In a similar gesture, the LHDA offered a two-option compensation package—cash compensation or payment through grain—for the loss of arable land. Where cash compensation was involved, there were options for either a bulk once-off payment, cash compensation in trenches, or annual compensation.

Other grievances included the compensation for fields, where only 68c per square metre was offered as compensation. The amount fell short of the M30¹⁰ per square metre, advocated by the SOLD. A representative of the organisation argued:

Sixty-eight cent is rather ridiculous. What considerations went into determining that figure? Did they consider how much a farmer makes in produce per square metre? If you are really concerned about not impoverishing people, you would not pay them 68 cents. (Interview with Ntate Nkalimeng, 2019)

Calculating the rate at 68c per square metre resulted in some people getting as little as M277.35. The LHDA's position was that this was fair compensation, given that 'payment extended to underutilised and derelict land, which had no crop value' (Interview with Ntate Morosi, 2019). Such a position was highlighted in a statement by the Divisional Manager at a meeting organised for affected communities by the TRC. He was quoted as having said:

There was an example made that on a square metre of a potato field the owner would make at least M300, a square metre such a small space? To determine that, I had to quickly recall just how much a bag of potatoes cost and recalled it was less than M50 ... It is very pivotal to advise the public to make wise decisions when demanding justice. (Ntate & Matheka, October 29, 2018)

Besides, this was an increase of 3c from the 65c per square metre, which was paid during Phase I implementation 16 years ago. In addition, the LHDA was paying 20c per square metre for grazing land, which, according to those affected by the dam project, did not capture the actual value of the land. This, according to an LHDA official, was an improvement from the

compensation received by those affected by Phase I implementation, for the same deprivation, and the authority had 'made serious considerations to the plight of the people and wanted to cushion the impact of the deprivation' (Interview with Ntate Ntoi, 2019).

For houses, compensation ranged from M2,000.00 to M3,000.00 per square metre, depending on the type of house. This meant that people with big modern houses could recoup their losses, while those with traditional stone and thatch houses (which are preferred structures among highlands communities) would be receiving modern houses that they did not want. Again, the LHDA viewed such a package as appropriate and expected endorsement since the payments were above market value. The Polihali Operations Manager was quoted as having said:

Without being disrespectful I will speak of the state of your houses. If they were to be compensated according to the market value, people would get compensation as little as M3,000 for their houses. But at present, a house per square meter is going to be compensated between M2,000 and M3,000. (Ntaote & Matheka, October 29, 2018)

While affected communities have rejected the package and have lobbied for what they believed to be fair compensation that would not leave them worse off, the LHDA has blamed the civil organisations for misleading people into unreasonable demands, which were beyond the value of their assets. On its part, the LHDA has drawn on legislative support. As a legal expert noted:

The armour of legal instruments mandates the authority to effect displacement of communities for water development purposes ... The Land Act of 2010 also provides for the state to expropriate land from citizens for development and water project. (Interview with Ntate Ntai Masopha, 2019)

Besides, the country's legal frameworks do not prescribe specific periods of compensation for land expropriated for development projects, and the authority has exploited this gap according to an official:

The laws of the country have no stipulated compensation duration ... According to the law, the King is the custodian of the land, but the law provides for annexation of land by the state for purposes of development. (Interview with M'e MaMpho Tsotetsi, 2019)

It is clear that the LHDA adopted a very bureaucratic approach in handling the compensation question, and in the process, it lost sight of the sensitivity of the situation. This also meant that compensation was determined based on economics, with no room for considering social aspects. While the problems remained unsolved, the argument for just compensation has continued, and the affected communities have resorted to demonstrations to alert the LHDA and the whole country of their grievances. A community member explained the communities' resolve:

We had no choice, but to use the little power we have. We have resorted to demonstrating as a last resort and we are not going to allow the LHDA to drive us into poverty. We are prepared to fight to the bitter end to ensure that justice prevails. (Interview with Ntate Phofolo, 2019)

As the protest action continued, LHDA officials constantly pleaded for patience, while they were processing disbursements, and promised to take the community concerns to the authorities. However, this has created further resentment among the affected communities as the LHDA was seen only to be keen on dam implementation and less concerned in addressing their grievances. These communities then resorted to roadblocks and work stoppages in Masakong because they felt they had exhausted all avenues for peaceful negotiations.

Interpreting Realities of Communities and Individual Losses

The approach to compensation constituted a significant failure by the LHDA as an institution tasked with implementing the LHWP II; it did not appreciate the true costs of displacement on those affected and saw losses in transaction terms where costs could be attached and payment made at market value. Thus, while the community would lose physical assets, which could be attached some monetary value, there would also be losses that are not quantifiable and, thus, difficult to price. However, according to affected individuals, these should also be compensated and should be incorporated into the compensation package in order to cushion their deprivation and assist in livelihood reconstruction.

While the LHDA could not factor these into its compensation model, these were closely linked to the livelihoods and social existence of households. As one community member noted, 'these are central to the people and their future circumstances' (Interview with MaLineo, 2019). Given their value to the people, failure to consider them for compensation was seen as 'a great betrayal' (Interview with Ntate Ntoane, 2020). For those affected by displacement, this demonstrated that the LHDA cared little about their future welfare and did not understand the implications of displacement and resettlement.

A significant result of the construction of the Polihali dam, for affected villages in Malingoaneng, would be displacement and loss of a familiar environment and history. As we have seen, the Batlokoa lineage has enjoyed a notable presence in these parts of Mokhotlong district since the 1880s, when Lelingoana Sekonyela settled in the area. The area defined the people and their being, which made losing it difficult and inconceivable. For example, Ntate Hlalele lived in Tloha-re-bue village and was among those that must be relocated. He said he is a descendant of Lelingoana and has lived all his life in the village. To him, the village is and will always be his home. He remembered, 'I was born and raised here, my father and my grandparents are descendants of this area, ... this is our land and ancestral home (Interview with Ntate Hlalele, 2019).

Over the years, people have come to identify with the place. People particularly identified themselves through their villages. In broad terms, these people had an attachment to the place and spoke fondly of their surroundings and environment. In interviews, it was apparent that community members had some intimate knowledge of their physical environment, which had, over the years, aided adaptation and survival skills. As one community member revealed:

Here, I know the weather patterns and how to respond. This place has been ideal in protecting people and livestock from harsh weather conditions. You see, this mountain range provides a

shield. It has been part of our line, protecting us from harsh weather conditions. You see, that is why settlements are located here ... The choice of this area was strategic. (Interview with Ntate Seiso, 2019)

People largely agreed that the loss of place through displacement would be greater than that of the physical assets, which could easily be replaced. With the construction of the dam, a large part of their identity would also be lost since this would result in physical changes in the immediate environment and many familiar features would disappear.

An additional difficulty emerged in the valuation of land. Although much of the LHDA emphasis was compensating for land lost as a result of dam construction, for the affected communities land was seen as having no compensation value. In villages, where land would be lost due to construction activities or for being in close proximity to the dam, it was not only assets that were going to be lost, but the future of coming generations would be destroyed. This land had passed through generations, and through annexation for the dam project, it would be lost to future generations (see Matlosa, 1998). In interviews, the importance of land for inheritance emerged as a major concern for households. It was feared that by relocating, big households' landholdings would reduce, which would ultimately compromise the ability of these households to redistribute land to members. This would also mean that households would disintegrate and result in the destruction of the family system, which for long had been the basis for social reproduction and production. Since land was seen as crucial in maintaining a family unit, financial compensation (at market value) was the least of households' expectations. The significance of land in these communities, which was unfortunately missed by the LHDA, is captured thus:

Land is just not any property. It defines the very existence of people. It defines their history, their being and belonging. By taking away land, you strip people of their lives, not only in terms of livelihoods, but their very being. By taking this land, the LHDA has left people naked. While money cannot compensate for such loses, a fair payment was going to ease the pain. (Interview with Ntate Phoka, 2019)

Land is important for those living on it, and future generations. There is no asset more valuable than land. Anyone, who owns land has an insurance against destitution. If we lose this land, the whole generation has lost out. They are going to be destitute. (Interview with 'Me' Mamorafo, 2019)

The elderly people were specifically coy about losing land and getting money in return. By losing the land, they felt that they would be losing something that has linked generations. The people also understood the difficulty of accessing land in Lesotho's present context, where the chiefs had been stripped of such responsibilities, and expressed fears that the process would generate landlessness among the next generation. Ntate Moloi had a question, which he kept asking: 'Where will my grandsons live, once the land that was passed to us by our fore-fathers is taken away?' This was a significant question with many interlinked questions: What would happen in the new area? Are they going to be allocated land that is enough to subdivide to sons?

As in other agrarian societies, land was key to livelihoods in terms of crop production and grazing animals. Usually, in Malingoaneng, households' livelihoods were dependent on land

or natural resources. Households cultivated both winter and summer crops, grazed both large and small mammals, and harvested shrubs, grass, and firewood for energy and other household requirements. Therefore, the natural environment provided the basis for survival for these agrarian communities, and loss of access to natural resources certainly had livelihood implications.

According to LHDA (2016), the dam project would affect households' access to land in a number of ways:

- Complete inundation of land within the reservoir radius (about 5,040 ha);
- Loss of land close to the water body;
- Loss of land annexed for related construction activities (LHDA, 2016).

The number of households that would be relocated amounted to 272, representing 10 villages. At full supply capacity, the dam would inundate about 1.128 ha of arable land, and this land would be lost to households. Households routinely grazed livestock on this arable land and produced crops. Some households engaged in crop sales for income. Among households that would be relocated, there were concerns that certain crops could not be produced in the new area. For example, crops that require a lot of moisture and perennial vegetable crops, which were produced for the market, cannot be produced in higher areas where there is no water.

There was particular dissatisfaction with the area where households would be relocated, which is higher, windy, and colder. There were also concerns over the soils, which were rather shallow and not suited for horticultural crops, which could lead to a loss of income. Losses in the form of pastures were also a major concern for households. According to the information provided to the researchers, displaced households would be relocated to land that was part of the community pasture, which would further reduce pastureland available to graze livestock. These would have negative impacts, with households unable to pursue normal livelihood activities.

The model for compensation failed to cater for these changes. Many households would lose their livelihoods, and the costs of relocation would even be greater. Even households that had opted for cash compensation, and had already received payment, were unable to sustain themselves due, at least partly, to the small pay-outs. For example, some people who received payment for land lost to associated dam construction projects had already exhausted their payouts. They expressed their frustration with the metrics used to determine the worth of their residential plots and arable land lost to the project as expressed below:

We do not know the mathematics used to calculate how much we should get from our assets and they do not explain how much is affected and what I should get ... We only get to know of the amount paid, when we receive our cheques. When assets were evaluated, nothing was explained. I only signed the papers because I was informed to approach the courts by the official, if I am not satisfied. (Interview with 'Me' Maqetang, 2019)

Besides their land, households would lose plantations. It must be kept in mind that these rural households depend on firewood for energy, and both individual and common plantations

(which have long provided wood fuel for households), together with indigenous trees, shrubs, and grass, along the river banks would be lost. In addition, by relocation to higher plateau, households would be moved further from the road linking major livelihood centres including Mokhotlong and Maseru. The common response was that 'mobility would be constrained by the mountainous terrain,' and also due to the remote nature of the identified area, 'people would be cut off from civilisation' (Interview with M'e Hlompho, 2019).

In terms of the market for crops, women expressed concerns that it was going to be difficult to take their product to the local centre or Mokhotlong town, because of the distance and lack of road. Moreover, the jobs they were promised in construction companies by the LHDA had failed to materialise as companies preferred hiring people with prior experience. While the described changes and deprivations may entail a change and destruction of living and livelihood patterns for the victims of the Polihali dam, it was the duty of the LHDA to prevent declines in livelihoods and well-being. However, the authority remained detached from these realities, and only applied a rigid definition to losses and compensation. Besides, according to information from the community, the value of land extended beyond mere grazing of animals and production of crops to medicinal plants and other organisms, which had become part of the eco-social system.

Furthermore, given that not everyone was going to be relocated, households would lose social capital that is often a key asset in any rural production system. Additionally, families would be divided as some family members might opt against moving to the new place; some people were adamant that they were not going to be 'banished to the wilderness' (Interview with Ntate Maake, 2019). These people were prepared to relocate to the lowland region or peri-urban areas. Consequently, there were concerns with the model adopted by the LHDA, which undervalued assets, and that the water authority underestimated the social costs of dam construction. It was not surprising, therefore, that perceptions of impoverishment were stronger among affected communities and the NGOs.

Conclusion

Struggles over compensation by communities have become common responses to large dam developments, as affected communities fight for fair compensation for their deprivations. In most cases, these struggles have been explained in terms of dissatisfaction by affected communities with the compensation package. Compensation, in this perspective, becomes contested and a major source of conflict, and demands by affected communities are either labelled as unreasonable or seen as justified. After all, compensation is expected to ease the pains of disruptions caused by dam projects and should be a mechanism through which affected communities rebuild, while also ensuring that they do not emerge from these disruptions worse off.

Using the implementation of the LHWP II in Lesotho's Mokhotlong district as a case study, this article has not underplayed the significance of compensation in the conflict between the water authority and affected communities. However, it argues that the compensation question is much more complex than can be explained by such a perspective. As the article argues, there is a need to move beyond looking at compensation in terms of physical losses

and to adopt a holistic approach that focuses on the realities of community losses. In the LHWP II case, the LHDA did not fully appreciate the real costs of the construction of the dam on the communities, by concentrating on quantifiable aspects and trading losses off at the marketplace.

However, for those affected by the development of the dam, the situation was significantly different. Although there would be material losses, which could easily be assigned monetary value, there were other deprivations that were not easily quantifiable. This article has unveiled some of the deprivations which are socially related and valuable to society and households and cannot be recovered upon displacement and relocation. Until the threat of displacement, the people identified themselves with the place, they had a history and their environment defined such history, social existence, and livelihoods. With displacement and relocation, this would be taken away from them.

Given the centrality of these in the life and existence of households, the least the LHDA should have done was to incorporate them in the compensation package. However, the model of compensation that was adopted could not accommodate these aspects. The study highlighted how the LHDA adopted a very rigid and bureaucratic approach, which was informed by past experiences and Phase II feasibility studies. However, failure by the authority to consider these social deprivations was tantamount to a great betrayal and had no concern for their welfare, even if their circumstances were to deteriorate.

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Notes

1. Ms Reitumetse Lehema comes from one of the Malingoaneng villages, which allowed us unhindered access to individuals, community elders, community gatherings, and consultative meetings organised by the LHDA officials.
2. Participating individuals were assigned pseudonyms to maintain anonymity and confidentiality.
3. The Lesotho highlands are the regions mostly on the Maloti and Drakensburg mountains, although some central parts of the country also form parts of the highlands, while the lowlands are the low-lying regions of the country.
4. The compensation for land was for a period of 15 years. However, the policy had no provision for compensation for people with secondary rights to land such as women and children.
5. Mountain areas in Lesotho are very windy.
6. For migrant labour societies, the two represent employment and alternative livelihood opportunities.

7. Summer temperatures are cool and range between 12 and 24 degrees Celsius.
8. The popular livestock are sheep, goats, donkeys, horses, and cattle.
9. LHWP 1 Compensation Policy is the framework that guided the compensation of people that were affected by the implementation of the first phase of the LHWP, while the LHWP II Feasibility Studies are the feasibility studies that were conducted in the area prior to the commencement of the second phase of the project.
10. A Maloti (M) is Lesotho's official currency. It is equivalent to the South African Rand.

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