The colonial experience, indigenous leaders and the capitalization of the Swazi monarchy

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When the happiness or misery of others depends in any respect upon our conduct, we dare not, as self-love might suggest to us, prefer the interest of one to that of the many. The man within immediately calls to us, that we value ourselves too much and other people too little, and that, by so doing, we render ourselves the proper object of the contempt and indignation of our brethren.[1] Adam Smith

Abstract

Historians and other researchers have analysed different aspects of Swazi historical affairs. One of the themes that has attracted academic attention is that of continuity and change, especially under the impact of colonialism. In spite of this attention, the institution of monarchy has been scantily investigated in terms of the extent to which it was transformed through the adoption of colonial economic values. In those instances where the monarchy has been investigated along the continuum of change, debatable conclusions have been drawn. This article reveals how the Swazi monarchy was transformed as a result of adopting the economic values of capitalism that came with capitalism. The article shows how the institution of monarchy was capitalized at the expense of the majority of the citizens. The article shows that as a result of this capitalization the monarchy lost the values it possessed before colonialism, and understood by the indigenous population. The analysis of the institution of monarchy in Swaziland is historically very important because it offers an explanatory tool for the existence of economic inequalities in Swaziland, and failure to achieve meaningful economic development.

Keywords: Colonial; Indigenous leaders; Africa; South Africa; Monarchy.

1 A Smith, *The theory of moral sentiments* (London, Strachan and Preston, 1804; originally published in 1759), p. 280.

Introduction

The impact of colonialism in Africa has been a subject of debate amongst scholars.[2] While the debate is important and has made a significant contribution to the study of African history a polarized approach does not seem useful because the impact of colonialism was a mixture of developments, sometimes attended by contradictions. What is historically important is that the impact is observable even though scholars can differ on the nature and depth of the impact. Research on the impact of colonialism enables historians of African history and those who have a casual interest in the subject to better understand how African societies were shaped and reshaped overtime. The impact of colonialism, positive or negative, became more evident after independence as it was expressed through the actions of the leaders who inherited political power from colonial rule.

For economic historians, the fundamental impact of colonialism on Africa was the expansion of capitalist relations of production because the adoption of capitalist values changed the behaviour of some indigenous institutions. An important element of capitalism that had a fundamental impact on Africa was money or loosely, capital.[3] This is a central component of capitalism as an economic system that resulted in a change in some African values during and after colonialism. It may seem unnecessary to draw attention to money and change, but as Marx complained, the "cash nexus" once integrated into social values, dominates social relations and, the quest to make money gradually replaces all other motives in the productive activities of humanity.[4] While there is a proliferation of literature on the impact of money on the processes of production and exchange in Africa,[5] very little has been written on how indigenous institutions became preoccupied with the accumulation of money and how they were transformed in the process.

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2 Some of the leading scholars who have engaged in the debate on the impact of colonialism on Africa are, LH Gann and P Duignan, *Colonialism in Africa, 1870-1960, Vol. 1: The History and politics of colonialism, 1870-1914* (Cambridge, Cambridge University Press, 1969); PC Lloyd, *Africa in social change* (Harmondsworth, Penguin, 1972); M Perham, *The colonial reckoning* (London, Collins, 1961); W Rodney, *How Europe underdeveloped Africa (London, Bogle L'Ouventure Publications, 1988);* DK Fieldhouse, *Colonialism, 1870-1945: An introduction* (London, Macmillan, 1983).

3 Claude Ake has described the process of monetization in Africa as a mechanism of imposition capitalist relations. See, C Ake, *A political economy of Africa* (London, Longman, 1981).

4 For a more detailed discussion of the centrality of money under capitalism see, G Ingham, *Capitalism* (Cambridge, Polity Press, 2008).

5 Literature on this subject include, P Bohannan, "The impact of money on an African subsistence economy", *Journal of Economic History*, 19, 1959; A Aderibigbe, "Trade and British expansion in the Lagos area in the second half of the nineteenth century," *Nigerian Journal of Economic and Social Studies,* 4, 1962; AG Hopkins, *An economic history of West Africa* (London, Longman, 1973).

Hugh Macmillan, in his analysis of colonialism and change in Swaziland commented, "… capitalism and colonialism had only a marginal impact [on Swaziland]".[6] This statement gives the impression that capitalism and colonialism did not have a fundamental and lasting impact on Swazi institutions and other aspects of the Swazi historical landscape. However, research has shown that Swaziland, like all colonized territories in Africa, was everlastingly impacted upon by capitalism and the general condition of colonialism. However, Macmillan acknowledged that, "…there was little else stable in the history of Swaziland [during the colonial period]".[7]

Several studies have analysed how colonialism and colonial policies unleashed change dynamics,[8] and that trajectory need no be repeated here. While there is evidence of the ascendance of capitalist relations of production in the Swazi economy,[9] there is no study of how some indigenous were capitalized as a result of colonialism and the expansion of capitalist relations. For instance, there is no study that shows how the institution of monarchy was capitalized[10] and transformed in both the colonial and post-colonial periods. This is in spite of the fact that such processes are very important in the study of the economic history of Swaziland because the institution of monarchy determines who has power in society and to what end that power is utilized. This institution also had the power to set up economic institutions to enrich itself at the expense of the rest of society. [11]

Although the institution of monarchy in Swaziland has been lauded as a beacon of resilience against colonial forces of change, it was transformed by colonialism and capitalism.[12] Existing literature that touches on the Swazi

6 H Macmillan, "Swaziland: Decolonization and the triumph of 'tradition'", *Historical perspectives on the political economy of Swaziland: Selected articles* (Kwaluseni, SSRU, 1986), p. 105.

7 H Macmillan, "Swaziland: Decolonization...", J Daniel and M Stephens (eds.), *Historical perspectives...,* p. 106.

8 For more detailed discussion of this point see, AR Booth, *Swaziland: Tradition and change in a Southern African kingdom* (Bulwer, Westview Press, 1983); HS Simelane, "Colonial policy, male opposition, and the introduction of Swazi women to wage labour, 1935-1955", *African Historical Review*, 43(1), 2011.

9 For some of the research that reveals the expansion of capitalism in Swaziland see, AR Booth, "Capitalism and the competition for Swazi labour, 1945-1960", *Journal of Southern African Studies* 13(1), October, 1986; HS Simelane, *Colonialism and economic change in Swaziland, 1940-1960* (Manzini, JAN Publishing Centre, 2003).

10 The term capitalization is used here to denote the injection of money/capital into the operations of the institution of monarchy in Swaziland consequently transforming it into a quasi-capitalist institution. This can be a product of both domestic and foreign capital investment.

11 This view has been elaborated upon in the analysis of political institutions. For more detail see, D Acemoglu and JA Robinson, *Why nations fail: The origins of power, prosperity and poverty* (London, Profile Books, 2013).

12 For a detailed discussion of the Swazi monarchy as a traditional institution that survived colonialism when other African monarchies fell under the pressure of colonialism see, H Macmillan, "Swaziland: Decolonization…, J Daniel and M Stephens (eds.), *Historical perspectives…*; and H Kuper, *Sobhuza II: Ngwenyama and King of Swaziland* (London, Duckworth, 1978).

monarchy has focussed on political dimensions of the monarchy, neglecting the economic dimension that has allowed the monarchy to reproduce itself. This article ventures into this neglected area and interrogates the developments that contributed to the capitalization of the Swazi monarchy and how the institution was transformed as a result. The article argues that the Swazi monarchy has been able to use its political power to capitalize itself over time and in the process has been transformed into a quasi-capitalist institution that has lost its traditional humanistic values. While the article traces the trajectory of the capitalization of the Swazi monarchy from the colonial period, it concentrates on the post-colonial period to reveal the machinations of self-capitalization the monarchy was engaged in under the leadership of King Sobhuza II.

Colonialism and the foundation of the capitalization of the Swazi monarchy

The expansion of western imperialism into southern Africa changed the balance of power in the region. It was clear that the invading Europeans had come to dominate the region's political landscape and African leaders and their societies had to respond to such developments. By the second half of the nineteenth century the Swazi leadership, just like its counterparts in the rest of the region, were forced to contend with the growing power and influence of whites. During the last five years of the century the Swazi Queen Regent, Labotsibeni (Gwamile Mdluli) concerned herself with the power of the British and the Afrikaners who were competing to either control or take over her kingdom.[13] Evidence indicates that she was resigned to the view that the whites would ultimately take over the country (so was her husband, King Mbandzeni who ruled the country 1875 – 1889), and was intrigued by the source of the power of white man.

In an attempt to identify the base of the power of the white man she asked her Council where the power of the white man lies? The majority of the Councillors argued that the power of the white man lied in guns and military strength. Some Councillors argued that it lied in magic, hence in the Swazi

13 For more detail on the relationship between the British, the Afrikaners, and the Swazi under Labotsibeni, see HS Simelane, "Female leadership, Europeans, and the struggle for Swazi independence, 1890-1902", *Uniswa Research Journal*, 19, December 2005; AM Kanduza, "Queen Regent Labotsibeni", MJ Diamond et. al. (eds.), *Women writing Africa: The southern region* (New York, The Feminist Press at the City University of New York, 2004).

language they were called *Belumbi* (magicians). However, Labotsibeni was not convinced with these responses and argued that the power of the white man lied in money and education.[14] She went further to state that her vision of a future Swaziland was that of a country that is able to accumulate money and acquire high levels of education. According to her view, therefore, the source of power and strength for every institution capital accumulation and acquisition of educational skills. Her emphasis on money was a clear demonstration of her shrewdness and astuteness. Her thinking was well ahead of her compatriots as she realized very early that the power of money was to be found not simply in accumulated wealth, but also in the power to control. She saw money as a means of political domination. She was well aware that she could not dominate the British, but the power of money could work in the domination of the indigenous population. In the education field her pursuit of her dream was made real by the establishment of a Swazi National School in Zombodze in 1906, and after her, the establishment of a national high school in Matsapha in 1931 with the strong assistance of the then Resident Commissioner, HA Dickson. While these developments in the field of education were very important, the initial purpose was to educate children from the royal family and families of councillors.

Throughout her reign as Queen Regent between 1899 and 1921, Labotsibeni paid a lot of attention to the accumulation of money for purposes of augmenting the power of the institution of monarchy. Her belief that money was power was a fundamental revision of pre-colonial values where the power of the monarchy was believed to lie in military strength and hegemonic tendencies. It was also a revision of the general view that "The key to wealth in Swazi society … was cattle."[15] From the beginning of the colonial period she developed the skill of strengthening the financial position of the monarchy within the restrictions imposed by colonial policy. For instance, research has shown that during the early years of British colonial rule she exploited the colonial dynamic of labour migration to impose a levy of between 3-5 pounds on all migrants recruited for the South African mines.[16] Labotsebeni argued that the levy was meant to buy back land that was alienated at the beginning of British colonial rule. By 1915 the country was facing a revolt as Labotsibeni

14 The point is also raised in AR Booth, *Swaziland: Tradition and change...* .

15 AR Booth, "Homestead, state and migrant labour in colonial Swaziland", J Daniel and M Stephen (eds.), *Historical perspectives on the political economy of Swaziland: Selected articles* (Kwaluseni, Social Science Research Unit, University of Swaziland), p. 21.

16 J Vilane, "Ideology and ideological control in Swaziland…", J Daniel and M Stephen (eds.), *Historical perspectives…*, pp. 126-141.

was accused by some chiefs of failing to account for the money collected from migrants. The colonial administration was forced to stop the levy.

Still pursuing the strategy of capitalizing the monarchy Labotsibeni entered the payroll of the Witwatersrand Native Labour Association as facilitator for the recruitment of Swazi men to South African mines from whom she received a payment of 30 pounds per month.[17] She conducted the peddling of Swazi men to the mines together with her son prince Malunge. As was the case in all her efforts to capitalize the monarchy, the central aim was power and control of the general Swazi population.

While Labotsibeni appears to have had a clear vision of how to capitalize the institution of monarchy, her schemes did not go well with the colonial administration as the administrators argued that she was doing it at the expence of the indigenous citizens. British colonialism tended to confine her and her chiefs to pre-capitalist forms of exploitation and accumulation. She was not given an opportunity to exploit the new channels of accumulation that came with colonialism. Yet, her dream of making the monarchy powerful through the accumulation of money remained alive.

The Regency of Labotsibeni was crucial in creating the foundation for the capitalization of the Swazi monarchy, not just because she reconceptualised the source of power and strength for the monarchy, but also because she ensured that her ideas were reproduced. She had the opportunity to mentor her grand-child and Crown Prince, Mona, who in 1921 ascended the throne as King Sobhuza II. King Sobhuza II placed a huge premium on the capitalization of the institution of monarchy and placing education as an important foundation for developing the Swazi nation. Yet, again, just like her grandmother he was also restrained by colonial policy from implementing the policy that would make the monarchy powerful through money. In the 1930s he attempted to empower certain sections of the monarchy through preferential granting of trading licences,[18] but very little came out of this action. In the 1940s Sobhuza supported by his councillors inaugurated the Swaziland National Fund (SNF) which was later transformed into the Swaziland National treasury under the control of Sobhuza and his council. The money for the fund was derived from a share of taxes and fines from

17 For a detailed discussion of this point see, JS Crush, *The struggle for Swazi labour, 1890-1920* (Queens, Queens-MacGuill University Press, 1987).

18 H Macmillan, "Swaziland: Decolonization..., J Daniel and M Stephens (eds.), *Historical perspectives...,* pp. 104-125.

courts. By the 1960s the fund boasted an amount of 70,000 pounds that was largely used by the king and chiefs for their wages.[19]

Immediately after the Second World War King Sobhuza II jumped onto the band-wagon of the capitalization of the Swazi economy that was taking place at the time.[20] He even went to the extent of reaching an agreement with investors in commercial afforestation to establish a commercial forest for the monarchy.[21] What came out clearly after 1945 were two tendencies that were to shape future developments. First, it was the tendency to collaborate with foreign capital interests in the attempts to capitalize the institution of the Swazi monarchy. Second, it was the tendency of the Swazi monarchy to enter into business ventures in the name of the Swazi nation. Even after 1945, the restraining 'hand' of colonialism writ large and King Sobhuza II could not perfect his schemes of monarchical accumulation. Understandably, from time to time Sobhuza II expressed his anger against the colonial administration over the wealth of the country as he believed that the wealth of the country should be under the control of the Swazi monarchy.[22] While Hilda Kuper has interpreted the confrontation between Sobhuza II and the colonial administration as a political battle and a matter of cultural nationalism, my view is that it was essentially a struggle for accumulation.

It would be unrealistic to assume that the capitalization of the Swazi monarchy was simply founded on the preferences and choices of Swazi leaders. The condition of colonialism itself played a very important role through the economic system it introduced, and the manner in which it operated. Colonialism came with capitalism as an economic system.[23] Although it might seem needless to say, money is an essential component of capitalism as an economic system.[24] This economic system was systematically drafted into the indigenous Swazi economic structure that was largely dominated by pre-capitalist modes of production, but its impact was also felt at the political level. The values of capitalism such as selfishness (which Adam Smith passionately attempted to argue against before he wrote *The Wealth of*

19 J Vilane, "Ideology and ideological…", J Daniel and M Stephens (eds.), *Historical Perspectives…*, pp. 126-141.

20 AR Booth, "Capitalism and the Competition…", *Journal of Southern African Studies,* 13(1), October 1986, pp. 125-150.

21 For more information see, HS Simelane, *The plantation economy and socio-economic transformation in Swaziland*, (Manzini, Ruswanda Publishing Breau, 1998).

22 For more information on his constant quarrels with the colonial administrators see, H Kuper, *King Sobhuza II...*

23 For more information see, C Ake, *The Political economy… .*

24 See sources like M Dobb, *Studies in the development of capitalism* (London, Routledge and Kegan Paul, 1963); J Sender, and S Smith, *The development of capitalism in Africa* (London, Methuen, 1986); and M Beaud, *A History of capitalism* (London, Macmillan, 1984).

Nations), capital accumulation and individualism percolated to almost all the levels of Swazi society. These values were adopted by Swazi leaders and shaped their behaviour even after independence. It should be noted that Swazi kings are assumed to be a symbolic embodiment of traditional values and customs, and this assumption was shaken under colonialism and after.

The operation of colonialism went a long way in creating the foundation for the capitalization of the Swazi monarchy. This arises from the manner in which British colonialism related to indigenous chiefs and paramount chiefs at the operational level. Colonial administration saw the Swazi king (Paramount Chief) as an auxiliary that could be bought out cheaply.[25] He was made aware that avenues for personal accumulation would be open to him if he complied with colonial instructions.[26] The major consequence of this was that the tendency toward the reinforcement of the values of individual accumulation was amplified. Through colonial operations Swazi indigenous rulers became increasingly individualistic and capital accumulation at the individual level became a common value. One of the major lessons learnt by the Swazi monarchy from colonialism was the notion that power conferred possibilities of self-enrichment through rent-seeking[27] behaviour and other forms of capital accumulation. Historical evidence from different parts of Africa shows that one of the important imprints of colonialism on indigenous rulers was the drive for the accumulation of personal wealth. It has been noted that through the operations of colonialism, "indigenous rulers extended their territories and increased their wealth".[28] That is the reason why some scholars have concluded that, "Colonial rule and capitalism aggravated jealousy and greed."[29] The quest for wealth accumulation through the capitalization of the institution of monarchy in Swaziland was, therefore, to a large extent, an outgrowth of values inherited from colonialism.

25 This was not peculiar to Swaziland as it was witnessed in most parts of colonial Africa where there were indigenous chiefs or were installed. For more on the point see, P Chabal, *Africa: The politics of suffering and smiling* (London, Zed Books, 2009).

26 This was not peculiar to Swaziland but true to the whole of colonial Africa irrespective of the colonial power under consideration.

27 For more detail discussion of this concept see, EC Pasour Jr., "Rent seeking: Some conceptual problems and implications", Paper Presented a New York University-Liberty Fund Research Seminar, 7-11 August 1983, pp. 1-44.

28 For more information see, DK Fieldhouse, *Colonialism, 1870-1945: An introduction* (London, Macmillan, 1983), p. 35.

29 A Roberts, "African cross currents", A Roberts (ed.), *The colonial moment in Africa: Essays on the movement of minds and materials, 1900-1940* (Cambridge, Cambridge University Press, 1990), p. 147.

Post-colonial dynamics and the capitalization of the Swazi monarchy

The attainment of political independence in 1968 paved the way for a more aggressive capitalization of the Swazi monarchy. According to some analysts, "independence transformed [Swazi] chiefs into a comprador bourgeoisie".[30] King Sobhuza II appears to have been fully aware that the monarchy did not have a material base in the country's emerging private sector.[31] Independence, which gave power to the traditionalists led by King Sobhuza II and leading members of the royal family, allowed him and his Council to put in place the necessary laws to facilitate accumulation by the royal family. This is something that he felt was long denied by British colonialism.[32] At last, with independence, they were able to operate without the restrictions of colonial policy that was driven by authoritarian Resident Commissioners.[33]

The first move to create the material conditions necessary for the capitalization and accumulation of the monarchy began in 1967 when the essential elements of the independence constitution were debated. Most issues were hotly debated in the Legislative Council where King Sobhuza II and his traditionalists found themselves forced to accept a Westminster-type constitution.[34] It was, however, clear that the Swazi traditionalists wanted much more than a constitutional monarch that was intended by Sir Loyd Francis who was Her Majesty's Commissioner in Swaziland at the time. King Sobhuza II and his Council succeeded in limiting the power of parliament when the King-in-Council was constitutionally given control over Swazi law and custom.

Pertinent to the purposes of this paper was the constitutional debate on the control of the mineral resources of the country. This could also be viewed as a debate about the control of the wealth of an independent Swaziland. The Queen's Commissioner, supported by the white members of the Legislative

30 RH Davies, D O'Meara, and S Dlamini, *The kingdom of Swaziland: A profile* (London, Zed Books, 1985), p. 15.

31 This point has also been raised by some scholars who have analyzed the location of the Swazi monarchy in the country's economic structure. For more information see, J Daniel, "The political economy of colonial and post-colonial Swaziland", *South African Labour Bulletin* 7(6), 1982, pp. 90-113; M Fransman, "The state and development in Swaziland, 1960-1977" (D.Phil., University of Sussex, 1978).

32 This is shown by the fact that from 1921 to independence there was constant tension between Sobhuza II and his Council on the one side, and Resident Commissioners and Queens Commissioners on the other over the control of the mineral wealth of the country. This also became one of the major points of intense debate towards independence.

33 For more information on the tension which also included political matters see, H Kuper, *Sobuza II… .*

34 H Macmillan, "Swaziland: Decolonization…", J Daniel and M Stephens (eds.), *Historical perspectives...*, pp. 104-125.

Council argued that control of the mineral wealth of the country should vest in the country's parliamentary government, but this view was strongly opposed by King Sobhuza II and his council of traditionalists. The traditionalist block argued that the mineral wealth of the country should vest in the Swazi monarch "in trust for the Swazi nation".[35] At the end of the debate King Sobhuza and his Council won and through Section 9 of the independence constitution[36] the mineral wealth of the country vested in the King-in-Council. However, Sobhuza and his supporters wanted more than just an assurance of ownership, as they also wanted an institutional guarantee of control. While it was agreed that a mineral committee should be formed, there was strong disagreement on the appointment of the committee that would exercise control over the minerals. An amendment was proposed virtually denying parliament the right to nominate half of the members of the committee. Obviously, this was a move to push the control of the committee to King Sobhuza II. All the white members voted against the amendment, but the King-in-Council was given the power to nominate all the members of the committee.[37]

The victory of King Sobhuza II to control the mineral wealth of the country was very important for the history of the country. It assured him and his Council of chiefs and members of the royal family that the occurrence of the 1880s when all mineral and land rights were concessioned away to English and Afrikaner fortune seekers would not be repeated.[38] In a much deeper sense, this victory was crucial for the future development of Swaziland because it strengthened the ability of the Swazi monarchy to capitalize itself and accumulate at the expense of the nation at large. However, even after this victory, the monarchy was still left with a lot of work towards its capitalization.

The biggest move in the capitalization of the Swazi monarchy came in the same year that the country got its independence from Britain. In 1968 King Sobhuza II announced the establishment of Tibiyo Taka Ngwane Fund, loosely translated, "wealth of the Swazi Nation".[39] The general language used in the charter establishing the organization depicted it as being for the good

35 H Macmillan, "Swaziland: Decolonization...", J Daniel and M Stephens (eds.), *Historical perspectives...*, p. 314.

36 R Levin, *When sleeping grass awakens: Land and power in Swaziland* (Johannesburg, Witwatersrand University Press, 1997), p. 85

37 Legislative Council, Official Report, 5th Meeting, 1st Session, 22 January, 1968.

38 For more information on this subject, see P Bonner, *Kings, commoners and concessionaires: The evolution and dissolution of the nineteenth century Swazi state* (Johannesburg, Ravan Press, 1983); FJ Mashasha, *The road to colonialism: Concessions and collapse of Swazi independence, 1875-1926* (Ph.D., Oxford University, 1977).

39 AR Booth, *Historical dictionary of Swaziland* (London, Scarecrow Publishers, 2000).

of the whole Swazi nation.[40] In spite of the nationalistic language used in the charter, there were certain troubling aspects of the structure and "modus operandi" of the new organization. King Sobhuza II moved fast to tighten his grip on this institution by forming a governing body whose members were all appointed by him. Using his power to appoint its members, the leadership of the body was put in the hands of senior princes and members of the royal family. It became very clear early in the life of Tibiyo that it was not going to be open to members of the Swazi public but to remain a treasure box of the monarchy. As some commentators have observed, it became a vehicle that, "… enriched members of the royal family and some members of the traditional elite".[41] John Daniel has observed that Tibiyo emerged, "… as an exclusive vehicle of capital accumulation for the royal family".[42] Greg Mills has pointed out that, "Tibiyo Investments which was supposed to make investments on behalf of the Swazi nation, effectively operated to fund the monarchy."[43] This was possible because Tibiyo was under the exclusive control of the monarch and was not accountable to any branch of government.[44] The second issue of concern was that the financial books of the institution were not open to the public as they were not under the control of the Minister of Finance. The situation was compounded by the fact that revenues from Tibiyo operations did not find their way to the national treasury for the benefit of the nation at large. The purpose of this organization was to capitalize the institution of monarchy and in the process the majority of the citizens were marginalized.

The initial fund for Tibiyo came from mineral royalties and this was the money used for the further capitalization of the organization. However, in 1975 the whole structure of royal accumulation was reorganized. Funds from mineral royalties were placed under a new organization called *Tisuka Taka* Ngwane. This reorganization was in fact the bourgeoning of monarchical accumulation in Swaziland. Tibiyo began to function exclusively as an investment corporation, but its structure and purpose of beneficiation was not changed. Almost all of its functions were now financed by dividend payments from its shareholding in foreign capital ventures in Swaziland. By 1981 Tibiyo was a shareholder in thirty-three foreign business ventures in the country, and

40 For more information on what was stated in the charter see, *A nation in progress, Tibiyo TakaNgwane. A charter for progress* (the pamphlet is undated but it is generally known that it came out in August 1968).

41 H Macmillan, "Swaziland: Decolonization…", J Daniel and M Stephens, *Historical perspectives*… (eds.), p. 105.

42 J Daniel, "Swaziland in the context of South African destabilization", J Daniel and M Stephens (eds.) *Historical perspectives on the political economy of Swaziland: Selected articles* (Kwaluseni, SSRU, 1986), pp. 181-191.

43 G Mills, *Why Africa is poor and what Africans can do about it* (New York, Penguin Books, 2010), p. 300.

44 R Davies, et. al., *The kingdom of Swaziland...*, p. 17.

such shareholding ranged from 20-50 per cent.[45] Some of the capital was used to finance land purchases in the name of the Swazi nation while in reality most of the land reverted into the hands of members of the royal family and other members of the ruling elite.[46] Tibiyo became a shareholder in many companies such as, Royal Swaziland Sugar Corporation (RSSC); Maloma Colliery Limited; Lubombo Sugar; Parmalat Swaziland; Simunye Plaza; Bhunu Mall; Swazi Spar Holdings; Swaziland Beverages; Alexander Forbes; Fincorp; and Tibiyo Leisure Resort trading as Royal Villas.[47] The capital generated by Tibiyo has also been used for financing some prestige ventures such as the National Reed Dance and the King's birth Day celebrations, all of which are meant to give support to the power of the monarchy.[48] Tibiyo's policy of forming joint investment companies with foreign capital has resulted in the development of extensive ties to South African capital. The most recent version of this is that the South African party in power, the ANC, has also entered into joint ventures with Tibiyo. For instance, the ANC's capital investment body, Chancellor House Holdings (CHH), holds a 75% stake in the Maloma Colliery.[49] The remaining 25% is not owned by the Swaziland government but by Tibiyo Taka Ngwane controlled by King Mswati III as an inheritance from his father.

Capital accumulation by Tibiyo does not come through productive ventures. Instead, it is achieved through a rentier fashion through share investment. Considering the dominance of Tibiyo in the country's economy, it can be argued that Tibiyo has bequeathed the Swazi economy a specific structure characterized by rent-seeking at most levels. It is a rent economy based on the desire for accumulation by the monarchy. While rent-seeking economic behaviour is not peculiar to Swaziland, what is troubling is that it is developed through the abuse of power.[50] The Swazi monarchy has used its, "…domination of the institutions of the Swazi state to transform [itself] into a capitalist".[51] The most dominant principle is that, "… whoever controls access to the tap, collects the rent."[52] The extraction of rent is based on a

45 R Davies, et. al., *The kingdom of Swaziland...*, p. 18.
46 For more information on the land issue in post-colonial Swaziland, see, HS Simelane, "The post-colonial state, class, and the land question in Swaziland", *Journal of Contemporary African Studies* 11(1), 1992.
47 M Nkambule, "Civil society wants Tibiyo open for public scrutiny", *Times of Swaziland*, 25 January, 2009.
48 J Daniel, "The political economy…", *South African Labour Bulletin* 7(6), April 1982, pp. 90-113.
49 S Sole and L Dube, "Swaziland loan, a 'handout' from a sugar daddy", *Mail and Guardian*, 5 August 2011.
50 Some scholars have argued that what distinguishes rent-seeking behavior in the majority of African states is the extent to which political power is abused for purposes of such a form of accumulation. For some detail see, P Chabal, *Africa: The politics...,* pp. 120-126.
51 R Davies, et. al, *The kingdom of Swaziland...*, p. 20.
52 F Cooper, *Africa since 1945: The past of the present* (Cambridge, Cambridge University Press, 2002), p. 172.

closer cooperation, collaboration, and alliance with foreign capital. In spite of its affinity to foreign capital interests and agenda to capitalize the Swazi monarchy, Tibiyo has undertaken projects of social corporate responsibility.

For instance, it has made a contribution to the education of Swazi children. This is an issue that is often raised and amplified by the Managing Director of the organization whenever he is asked why Tibiyo companies are not taxed, and what contribution does the organization make towards the development of Swazi society. A study conducted in Swaziland revealed that Tibiyo provides bursaries to about five hundred Swazi students each year.[53] Between 1994 and 1998 about one hundred students benefitted from scholarships provided by Tibiyo for secondary and tertiary studies outside the country.[54]

The contribution of Tibiyo to the education of Swazi children is welcome but it should not be taken uncritically. There is still a question about which children who receive bursaries and scholarships from Tibiyo. Presently, there is no study that has interrogated this point. Anecdotal evidence points to the fact that the children of princes and princesses (whether they academically qualify or not), and children of the ruling elite closest to the monarchy have been the dominant beneficiaries. Addressing the issue of the bursaries and scholarships from Tibiyo, Dumisani Ngozo said:[55]

> I cannot deny the fact that children from poor Swazi families have benefitted from money from Tibiyo. I have known children of ordinary Swazi who went through primary education through funding from Tibiyo. However, we should not be blind to the fact that the biggest beneficiaries are from the royal family and from the families of some of the influential people in the country. This has especially been the case with financing students to study outside the country. Some of these children were not even subjected to interviews as is usually the case with applicants from ordinary Swazi families. We cannot be fooled by all the lofty pronouncements the Managing Director sometimes gives to the public.

As pointed out above, the proclaimed philanthropy of Tibiyo through bursaries and scholarships should be balanced against the fact that Tibiyo industries are exempted from all forms of taxation. This denies the Ministry of Finance huge amounts of money that could be used in the provision of

53 O Akinkugbe, "Higher education financing and equality of education opportunities in Swaziland" *International Journal of Social Economics* 27, 11(2000), pp. 1074-1097.

54 O Akinkugbe, "Higher education financing and equality…", *International Journal of Social Economics,* 27(11), 2000.

55 D Ngozo (School Principal), interview, HS Simelane (University Professor, Manzini), 28 June, 2014.

public goods. Technically, therefore, the parents of the children who receive bursaries or scholarships from Tibiyo pay for them. The picture that has been given to the public portraying such funding as a "gift" from Tibiyo is therefore not entirely true. There is also the question of a comparison between the amount the Swazi national treasury could get from taxing Tibiyo and the value of the bursaries and scholarships given by Tibiyo. The lack of authoritative research in this area remains a lacuna in the existing body of knowledge.

Impact of the capitalization of the Swazi monarchy

Although it is extremely difficult to research into the affairs of the monarch and general Swazi royalty,[56] information has filtered through estimating the personal wealth of the Swazi king. His wealth is estimated at USD200m, making him the richest monarch in Africa.[57] The income of Tibiyo, which the king controls is presently estimated at USD2billion and is used to support the king, his 13 wives, his more than twenty children, more than 500 princes and princesses and other members of the wider royal family.[58] In 2014 the Swazi parliament allocated $61million for the king's household budget. This was a time when the general population of the country was living on little more than $1 a day. Over the last forty-six years Tibiyo has exploited its official status to acquire equity at nominal costs in key sectors of the Swazi economy. Strategically, Tibiyo is portrayed as an institution serving the Swazi nation as a whole, but practically, it functions as a private company under the exclusive control of the royal family.[59] It is estimated that Tibiyo controls more than half of the Swazi economy and that effectively means that this control is in the hands of King Mswati III.

The impact of the capitalization of the Swazi monarchy is also revealed in the opulence of the Queen Mother/*Indlovukazi*. Although most of the properties owned by Indlovukazi are not in her name, evidence indicates that she has made an inroad into the hotel industry. A member of the public

56 Since 1973 when political opposition was banned in Swaziland, the institution of monarchy has remained opaque and shrouded in secrecy. Hilda Kuper was the only researcher who was able to investigate aspects of the royal family as a result of her friendship with king Sobhuza II. Much as her research is informative, her work remains an academic support for the Swazi monarchy. The non-transparent nature of the monarchy remains up to this day.

57 S Sole and L Dube, "Swaziland 'loan'...", *Mail and Guardian,* 5 August, 2011.

58 G Mills, *Why Africa is poor...*, p. 300.

59 J Daniel, "Swaziland in the context…", *South African Labour Bulletin,* 7(6), 1982, p. 187.

commented:[60]

> One of the major characteristics of the royal family today is its riches. You are asking me about the wealth of the King, but you do not seem aware that *Indlovukazi* herself has become very rich because she owns a number of businesses, especially hotels. She uses certain people as fronts so as not to attract attention to herself or the monarchy in general. For instance, what is former *Mgenule* Hotel is now her property that she bought in an auction using an individual we know as a front. There are several other businesses owned by her. However, you cannot compare her riches to those of the King. Money has completely transformed the monarchy in this country.

Members of Swazi society have observed the growing affluence of the monarchy and sometimes relate that to their own economic situation. Commenting on the affluence of the monarchy, Shadrack Ngwenya said:[61]

> This country is the mother of the royal family and the stepmother of the rest of the citizens. I think the problem began when the country got its independence from Britain, especially when it was decided that revenue from minerals should be controlled by the King. The situation became worse when Tibiyo was formed and it was directed towards generating revenue for the monarchy, much to the neglect of the country in general. From there I think not less 80% of the revenue generated by Tibiyo is consumed by the royal family and does nothing to improve the economic well-being of the rest of the population. This is a very strange arrangement and it needs to be changed so that all of us can benefit from the resources of the country.

The capitalization of the institution of monarchy in Swaziland has contributed to rising levels of deprivation. This is the case because the capital that is accumulated by the monarchy is at the expense of the general citizenry. The opulence of the royal family, which is a direct result of the capitalization of the institution of monarchy, is sharply contrasted by the poverty of the majority of the citizens. The International Fund for Agricultural Development has reported a widening gap between the urban and rural populations. Subsistence agriculture, to which the majority of the Swazi are engaged is falling partly due to the inability of farmers to purchase basic agricultural inputs. It is also estimated that about 66% of the Swazi population is not able to meet their basic food needs, and 43% live in chronic poverty.[62] According to the United

60 W Sibanyoni (Unemplyed Swazi Citizen), Interview, HS Simelane (University Professor, Manzini), 16 May 2014.

61 S Ngwenya (Government Official in the ministry of Agriculture), Interview, HS Simelane (University Professor, Manzini), 24 June 2014.

62 International Fund for Agricultural Development Report, *Rural poverty in the kingdom of Swaziland*, Report, 19 February 2013.

Nations Human Development Index, 29% of Swazi children under the age of five years are stunted. Importantly, Swaziland has a similar rate of stunting to other countries with less than half of Swaziland's per capita income. A survey conducted by the World Food Programme and the Swaziland Government in 2013 revealed that Swaziland loses 34.1 % of its gross domestic product (GDP) from the long-term impact of chronic childhood hunger. It also came out that more than 40% of the country's labourforce suffer from physical stunting as a result of chronic malnutrition in early childhood. The difference between the opulence of the monarchy and extreme poverty of the maajority has prompted some commentators to say, "It is ironic that the government of Swaziland has no money but the Head of State is one of the richest monarchs in the world" (Quorted in Hourdent, 2011:3). Much as there are numerous variables to be considered in assessing deprivation and poverty, the monarchy is one of these variables because it has consumed a large portion of the revenue that would have assisted in the provision of public goods.

It is no longer useful to talk of the Swazi monarchy as though it is an untransformed remnant of the past encapsulating an unchanged indigenous structure of governance. Whatever variant of tradition the Swazi monarchy exhibits today, it is a reconstructed tradition very different from what had been in the past. The conclusion drawn from portraying the Swazi monarchy as having survived colonialism unchanged, is misleading. Capitalism as embodied in the centrality of money has become a leading value of the Swazi monarchy. To conclude that after independence we can talk of the "Triumph of tradition" as the historian, Hugh Macmillan has said, is not useful because it fails to highlight the extent to which capital has transformed the values of the institution.[63]

As a result of capitalization, the Swazi monarchy, and particularly the monarch has become selfish. This is because, as has been the case in most of Africa, colonial rule and capitalism aggravated jealousy and greed.[64] Traditionally, the institution of monarchy was a sanctuary of the poor and destitute in society. The king's accumulated wealth was, "… used for tribal benefit".[65] The accumulation of the monarchy was conceptualized as a safeguard for the protection of members of society and not the glamour and

63 For more information on this line of analysis see, H Macmillan, "Swaziland: Decolonization...", J Daniel and M Stephens (eds.), *Historical perspectives...,* pp. 104-125.

64 A Roberts, "African cross currents," A Roberts (ed.), *The colonial moment in Africa...*, pp. 223-266.

65 I Schapera, *The bantu-speaking tribes of South Africa: An ethnographical survey* (Cape Town, Maskew Miller, 1953), p. 178.

opulence of members of the royal family and those closest to it. That is why in siSwati *inkhosi yinkhosi ngebantfu* (the king is king through the people).[66] This is because through unselfish deeds there was always a connection between the monarch and the general population. With the intensification of capitalization, the institution of monarchy has become individualistic largely concerned with the affluence of the royal family. The Swazi monarchy has ceased to be a safety net for the poor. Traditionally, "the chiefs' kraals were meant to be a refuge for those members of society who could not cope with social crises".[67] It is also observed that, "In the past native authorities have been seen to upkeep the destitute natives".[68] After independence this social value had dramatically changed. The fact that the Swazi king monopolizes the wealth generated through Tibiyo is a clear indication of this change and its growing selfishness. The selfishness of the Swazi monarch has not received the attention of Swazi scholars and other commentators because as Adam Smith said, like most of us, they have the, "… disposition to admire, and almost to worship, the rich and powerful, and to despise, or, to neglect, persons of poor and mean condition…. We see frequently the vices and follies of the powerful less despised than the poverty and weakness of the innocent".[69] Even though Adam Smith believed that sympathy and benevolence would restrain selfishness, the desire for capital accumulation by the Swazi monarch has seen no restraint.

The capitalization of the Swazi monarchy has produced a detachment between the people and the monarch. This tendency was observable just a few years before independence when it was noted that, "… today Sobhuza is probably out of touch with the problems of the rural Swazi, for in the forty-three years of his reign, the broad popular base of national participation in the *libandla* has withered away".[70] Even though Sobhuza's party won the first elections overwhelmingly, there was an indication that he was losing grip in some areas of the country.[71] There is no doubt that colonialism on its own played an important role in this alienation, but a more crucial reason was that the monarchy was too occupied with self capitalization to pay attention to the interests of the general population. The flip side of this argument is the

66 This notion is well expressed in H Kuper, *Sobhuza II...* .
67 HS Simelane, "War economy and society in colonial Swaziland" (PhD., University of Toronto, 1991), p. 221.
68 Swaziland National Archives (SNA), File 1155 – Mbabane District Annual Report.
69 A Smith, *The theory of...*, p. 120.
70 J Halpern, *South Africa's hostages: Basotholand, Bechuanaland and Swaziland* (Harmondsworth, Penguin, 1965), p. 368.
71 For more information on this issue see, R Levin, *When sleeping grass awakens...* .

question why the Swazi monarchy has maintained its power if capitalization was alienating it from the general population. King Sobhuza II was aware of this alienation and he moved to use his political power to manage such alienation. Political power was used to eliminate alternative political groupings.[72]

Once the monarchy was intensively capitalized after 1968, it lost the reciprocal values that had previously made it a safety net for the poor and marginalized. Traditionally, while the general citizenry was expected to be loyal to their king, he in turn carried the responsibility of protecting the economic well-being of the community as a whole. The king was expected to dispense material benefits to those over whom he ruled. This reciprocal link of obligations was broken by the predominance of capital in the operations of the monarchy. The office of the king became a device for accumulating resources, especially money. In the character of the monarchy, there has been an observable shift from collective responsibility to individual quest for power through wealth. Admittedly, this is a development that covered both the colonial and post-colonial periods, but was more pronounced after independence. The only indication of such reciprocity these days is when some citizens perform royal duties. For instance, the young maidens who attend the annual *Umhlanga* receive walking shoes from the monarchy. Also, the traditional regiments that weed the king's fields are paid allowances but, at the moment, it is still not clear what the exact amount is. In these instances of reciprocity money has become a determining factor for mobilization of the citizens, and this is something that did not happen before the institution of monarchy was capitalized. The main reason "why" the monarchy has engaged in such a reciprocal situation is that the traditional functions mentioned above are meant to support and strengthen the monarchy political. The referral object is not the citizens but the monarchy.

The capitalization of the monarchy has also resulted in an increase in the monopolization of power by the monarchy. When the benefits of capital accumulation became clear, the Swazi monarch became even more greedy and refused to share political power with other groups in society. This was the case because political power was the main instrument to be used in capital accumulation. Such greed first manifested itself in 1973 when King Sobhuza II repealed the independence constitution and banned all political

72 For more information on this subject see, King's proclamation, *Statutes of Swaziland*, Constitutional Law, 12 April 1973.

parties, political meetings, and political demonstrations.[73] The argument was that Swaziland was not fully independent as long as she was ruled through a constitution inherited from a colonial power.[74]

Most historians and political scientists interested in Swazi affairs in the post-colonial period have interpreted the above action of the Swazi monarch and his Council in purely political terms.[75] Conventional interpretations posit that this was a move to concentrate power in the hands of the royal family just for the sake of power. My argument is that the repeal of the constitution and the banning of political parties was not simply an exercise to serve political ends. At a deeper level it was meant to protect royal accumulation that had been set in motion earlier by capitalization of the institution of monarchy. The grand idea was the monopolization of the rentier economic structure that was enriching the royal family and the political marginalization of other groups was the best instrument for unrivalled accumulation. This monopolistic tendency was an indication of how the Swazi institution of monarchy had been transformed through colonialism but more particularly through the capitalization process that took place from 1968. The action of repealing the independence constitution and brutally supressing all opposition was the politics of greed to pave the way for capital accumulation that has proceeded up to today.

The capitalization of the institution of monarchy in Swaziland has distorted the country's traditional system of governance. Since the monarchy can accumulate through proceeds from joint ventures, the institution of monarchy has become less accountable to the citizens. The monarchy no longer finds itself obliged to solicit acquiescence of its subjects to income generation. As a consequence of the money the monarchy accumulates from joint business ventures, it is able to pay off citizens through patronage without yielding political power to them.[76] The easy money collected through rent-seeking has given rise to a temptation to use the funds to supress society while taking the profits for itself. Such accumulation has reduced the capacity of the citizens to

73 King's Proclamation, 12th April, 1973, Sections 2(a), (b), and (c).

74 HS Simelane, "Conformers and pretenders: The case of middle class opposition in Swaziland, 1962-2000", *Lwati: A Journal of Contemporary Research,* 3, 2003, pp. 235-250.

75 For some versions of such a political interpretation, see AR Booth, *Swaziland: Tradition...*; R Levin, *When sleeping grass awakens...*; H Kuper, *Sobhuza II...*; and R Levin, "Swaziland's Tinkhundla and the Myth of Swaziland Tradition", *Journal of Contemporary African Studies* 10(2), 1991, pp. 37-64.

76 Such a development is not peculiar to Swaziland but has been observed in most regimes where rent-seeking is dominant. For a more general discussion see, B Powell, RJ Dalton, and K Strom, *Comparative politics today: A world view* (Boston, Longman, 2012).

hold their leaders accountable. As a result, the Swazi monarch has continued to exploit its leadership position to advance its own ambitions for wealth, much to the neglect of the citizens.

With the philosophy of viewing money as a source of power, the institution of monarchy in Swaziland has become an extractive institution. It has developed as an institution which concentrates power in the hands of a narrow elite which is able to structure economic institutions to extract resources from the rest of society. This characteristic was not clearly pronounced during the colonial period because the institution of monarchy was constrained by the colonial state and British colonialism in general which relegated it to a subordinate structure incapable of making independent decisions. However, the post-colonial period offered new opportunities of independent action and extended the capitalization of the institution.

Research has shown that countries dominated by extractive institutions have achieved low levels of economic development.[77] For the fact that Swaziland is dominated by an extractive monarchical institution, the country's economic development trajectory is that of decline and at times descending into crises. If Swaziland is to achieve meaningful economic development that entails improvements in education, health, and self-esteem of the citizens, then there is need to either halt or regulate the capitalization of the institution of monarchy through processes of economic and social justice. This would save the public from further deprivation and marginalization. If this could happen, then the institution of monarchy in the country would be re-humanized.

Conclusion

The subject of the Swazi monarchy has occupied the attention of several scholars and commentators. While some have been attracted to the fact that the Swazi monarchy survived British colonialism, others have paid attention to the fact that as a result of the dominance of the monarchy in the country's economic, political, and social affairs, Swaziland remains the only country in Southern Africa that has not made a positive response to several democratic waves that have swept the region and the continent. With a few marginal exceptions, these analyses have continued to present a picture of a somewhat

77 For more information on the discussion of institutions and their relationship to economic development see, D Acemoglu and JA Robinson, *Why nations fail...* .

changeless traditional Swazi monarchy. Very little has been done to reveal the different dimensions of change and transformation in the philosophy and ethos of the Swazi monarchy overtime.

This article is based on the argument that contrary to the portraits of conventional literature, the Swazi monarchy was transformed by colonialism and the economic system that came with it. This transformation was largely a product of colonial imposition, but also a product of the choices made by Swazi leaders.[78] Such choices, where applicable, were based on the configuration of the interests of the monarchy and those social groups that stood to benefit from the choices made.

While there are several dimensions along which the transformation of the Swazi monarchy can be analysed, the dimension chosen for this article is money/capital. The article has argued that the infusion of capital (capitalization) into the functioning of the Swazi monarchy produced a transformative impulse that changed the values of the institution of monarchy from what they were in pre-capitalist times.

The article has shown that the foundation for the injection of capital into the institution of monarchy was established by Qween Regent Labotsibeni at the beginning of the colonial period. Having seen the imperialist European nations conquering all the polities in the region, she concluded that money and education were the major sources of power and that the Swazi should pursue the accumulation of money and attain high levels of education in order to be powerful. Capital accumulation came to be conceived as the pillar and strength of the Swazi monarchy. Even the young prince who took over power in 1921 received a palace education on the power of money and therefore the need for its accumulation. The introduction of capitalism as an economic system in the colonial period received fertile ground in the Swazi leadership.

While there were instances of the capitalization of the institution of monarchy in the colonial period, the article has shown that it was in the post-colonial period that the process was intensified. In this period, capitalization of the institution was anchored on the legal framework of the country as the constitution gave the Swazi king complete control of the mineral resources of the country. It was revenue from these mineral resources that was invested

78 See for example, AM Kanduza, "'You are tearing my skirt': Labotsibeni Gwamile Mdluli of Swaziland", C Youe and T Stapleton (eds.), *Agency and action in colonial Africa* (London, Palgrave, 2001).

for further capitalization of the monarchy. King Sobhuza II created revenue-generating institutions that were outside the control of the government of the country and whose actions benefited the general citizenry very little. The major outcome of this is that the Swazi monarchy has progressively grown richer while the majority of the citizens remained poor.

The capitalization of the institute of monarchy in Swaziland has had numerous outcomes that have shaped the character of the institution, and had discernable economic and political outcomes. For instance, the monarchy has seized to be the safety net of the destitute as was the case in pre-capitalist times. Instead, it has become an individualistic and non-inclusive institution that concentrates on enriching members of the royal family. As a result, there is a continuous detachment of the institution from the citizens. Such a development is not yet highly pronounced because the monarch is still able to pay off a large section of the population through patronage.

The article has also shown that capitalization has made the institution of monarchy to be greedy. This is demonstrated by the fact that it monopolizes the economic resources of country much to the neglect of the majority of the citizens. Furthermore, it has closed spaces for political participation for those who are perceived to be a threat to monarchical accumulation. All political opposition has been banned since 1973 and the multi-party democracy inherited from British colonialism has been systematically destroyed.

While evidence shows that the capitalization of the Swazi monarchy has become one of the most important developments of the post-colonial period, no systematic analysis has been conducted to relate it to the process of economic development. While it is clear that this capitalization has amplified rent-seeking behaviour and the development of a rentier economy, the impact of these to the economic development of the country, remains obscure. What is very clear though is that the capitalization of the monarchy has increased the income gap between members of the royal family and the majority of the citizens. It is also clear that the proceeds from such capitalization have only marginally benefits ordinary citizens.