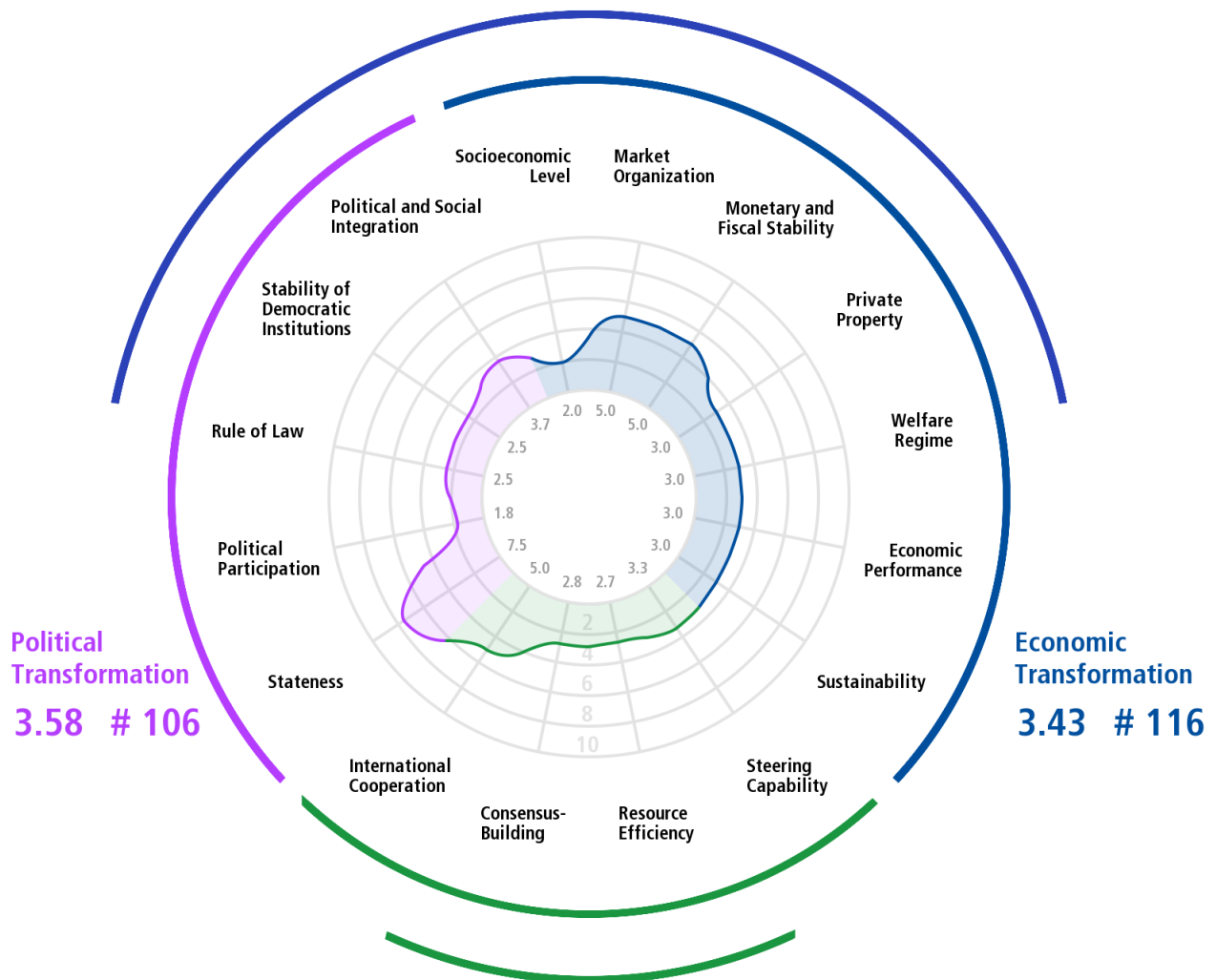


Eswatini

Status Index

3.51 # 117

on 1-10 scale out of 137



Political Transformation
3.58 # 106

Economic Transformation
3.43 # 116

Governance Index

3.12 # 122

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2020**. It covers the period from February 1, 2017 to January 31, 2019. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

Please cite as follows: Bertelsmann Stiftung, BTI 2020 Country Report – Eswatini. Gütersloh: Bertelsmann Stiftung, 2020.

This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Strasse 256
33111 Gütersloh
Germany

Sabine Donner

Phone +49 5241 81 81501
sabine.donner@bertelsmann-stiftung.de

Hauke Hartmann

Phone +49 5241 81 81389
hauke.hartmann@bertelsmann-stiftung.de

Robert Schwarz

Phone +49 5241 81 81402
robert.schwarz@bertelsmann-stiftung.de

Sabine Steinkamp

Phone +49 5241 81 81507
sabine.steinkamp@bertelsmann-stiftung.de

Key Indicators

Population	M	1.1	HDI	0.608	GDP p.c., PPP \$	10722
Pop. growth ¹	% p.a.	1.0	HDI rank of 189	138	Gini Index	51.5
Life expectancy	years	58.3	UN Education Index	0.541	Poverty ³	% 64.4
Urban population	%	23.8	Gender inequality ²	0.579	Aid per capita \$	130.3

Sources (as of December 2019): The World Bank, World Development Indicators 2019 | UNDP, Human Development Report 2019. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

The state of Eswatini (formerly Swaziland) is the only absolute monarchy left in Africa. King Mswati III together with his mother, Queen Mother Ntombi, rule as monarchs and have veto powers over the three branches of government. The bicameral parliament consists of the Senate and House of Assembly, each composed of both elected members and members appointed by the king. The king also appoints the prime minister.

The role of political parties is contested and unclear even under the constitution of 2005. Political parties are not allowed to compete for elections.

Human rights issues include restrictions on political participation, corruption, rape and violence against women linked in part to government inaction, criminalization of LGBTQ communities and child labor.

The government often does not investigate, prosecute, or administratively punish officials who commit human rights abuses. With very few exceptions, the government did not identify officials who committed abuses. Impunity is widespread.

King Mswati III acts as if the kingdom is his private property. Therefore, there is hardly any economic development that trickles down to the people in order to give hope for overcoming poverty. New investments are unlikely to come due to the low level of skilled labor and the relatively high cost of salary in comparison to the level of production. The business environment is not conducive to business due to negative and unpredictable political interference through the royal family and the companies associated with it.

The obscene lifestyle of the royal family is in contrast to the living conditions of the majority of people across the country. Their dire situation is even worsening through climate change, especially in drier regions. This will aggravate the situation for the majority of the population who depend on rain-fed agriculture.

There is no possibility in sight for the population to express grievances. Changes in any realm or on any level are not in sight. There is no mechanism civil society can use in order to force government or the king to change the political system and to give it more space to participate.

South Africa as the hegemonial power of the region already incorporates mainly male workers for the mines. As there will be lesser need for a workforce in the mines in due course, the unemployment rate will rise and lesser Swazis will migrate to the neighboring country.

At the same time, Eswatini is not on the agenda of international solidarity movements or human rights activists.

For the last two years, there was no democratic development. Political associations or parties are weaker than ever, the efforts of the church through the KAIROS Document did not take momentum especially not internationally and there are hardly any new voices out of civil society with fresh ideas. Prior to the 2018 elections, the political assembly, a coalition of three political organizations, tried to challenge the electoral laws, and SWADEPA was challenging the non-registration of political parties. The kleptocratic royal family made the situation for the entire country even worse, especially economically. The political and social system stagnates and there has not been change in the last decades.

History and Characteristics of Transformation

The Kingdom of Eswatini, or Eswatini, formerly Swaziland, is a landlocked country bordering Mozambique to the east and South Africa to the north, west and south. The Kingdom is ethnically homogenous as the far majority speak siSwati and identify as Swazi, instead of having ethnic fault lines, multiple clan or families have competed for power in the kingdom, which before the Berlin Conference and the Boer War extended far into South Africa. After gaining independence from British colonial rule in 1968, a brief democratic period followed, but as Ngwane National Liberatory Congress (NNLC), a non-royalist political party, was included in parliament following the first post-independence election in 1973, the relatively democratic constitution was suspended. King Sobhuza II ruled by decree from 1973 until his death in 1982, having ruled for more than 60 years. From his death to the crowning of his son in 1986 (the current King Mswati III), a short period of political uncertainty took place. The People's United Democratic Movement (PUDEMO) was founded in 1983 to compete for power in the vacuum that followed King Sobhuza's death, but democratic hope was short lived, as King Mswati continued his father's autocratic path. As the fight for a democratic South Africa intensified, Umkhonto we Sizwe began to operate from Swaziland, which caused South African apartheid security forces to conduct assassinations and kidnappings deep into Swazi territory with at least implicit acknowledgment from the monarch.

Finding inspiration and motivation in the struggle against apartheid, pro-democratic actors including student and labor movements increased pressure on the government throughout the

1990s. The protests culminated in the 2005 constitution, which is still in effect. The process toward the constitution was to a large extent financed by donors, especially the Commonwealth and the European Union (EU). While it includes some democratic features, it also cements power in the monarch by prescribing an absolute monarchy with a varnish of democracy. The political system is uniquely labeled Tinkhundla, consisting of 59 tinkhundla or constituencies, each responsible for electing a member to parliament. During the election process, candidates are first nominated at chiefdom level where they compete first before the winners complete at the inkhundla (constituency) level. There have been allegations of local chiefs or traditional leaders screening candidates at the local level. Candidates are only allowed to run for parliament on individual merit, meaning that political parties cannot formally register and compete for election.

The limited political space available to political parties were further restricted after an attempted bombing assassination of King Mswati III in 2008. The bombing resulted in the death of two of the assailants and an injury for the third. Legally, the parliament rushed through the Suppression of Terrorism Act 2008, justified by the bombing and the U.S.-led Global War on Terror, which proscribed four organizations, including PUDEMO and its youth wing Swaziland Youth Congress (SWAYOCO), without any of them being closely affiliated to the bombing or taking responsibility for it.

Politically the Kingdom has continued down an autocratic path, striking down opposition and forcing political activists into exile or torture in prison. King Mswati III, when interviewed, seems distanced and without concern for the plight of his subjects. More than half of the population (59%) live in abject poverty, under \$1.90 per day, and the country suffers from the highest HIV/AIDS prevalence in the world (in the age group 15 to 49, 27.2% live with HIV/AIDS). Life expectancy in the kingdom is 58 years, which is one of the lowest in the world. Despite the depressing statistics, the country is considered a lower-middle income country and has been listed as the most unequal country in the world. Neither economic nor political policies implemented in recent years have done much to change this.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Eswatini is a relatively small country with 17.363 km² and 1.093.238 inhabitants. Although the landscape is partly rough and the infrastructure weak, the monarch as head of state is present throughout the country through the traditional system of chiefs and headmen. The more rural, the more this system is meekly accepted. This means that there is a complete monopoly on the use of force on the side of the government.

Expenditure even rose this year while the health, education and social services lacked financing. This brought trade unions to strikes highlighting the discrepancy in the expenditure of government.

Still, police are poorly paid and equipped, leading to underperformance and overreactions like brutality during peaceful demonstrations or similar.

Almost everyone agrees on the nation-state but there are those who question the governance system. In general, the monarchy is widely accepted in rural areas.

There are several groups, mainly in the urban centers of Mbabane and Manzini, where political parties fight for official approval. It is not clear how much people are behind this movement.

The current monarch Mswati III considers Eswatini more as his personal property where he can withdraw whatever he needs or wants. People are unlawfully evicted if the land they live on is prosperous. For them, there is no possibility to resist due to the fact that the monarch is above the law and as his subjects, they must obey knowing that the idea of a king and his subjects once was intended differently. It is important to differentiate between the traditionally inherited monarchial system, which is highly accepted around the country, and the current way the king is personally exploiting this inherited power for his own benefit.

Question
Score

Monopoly on the
use of force

10

'06 '20 10
10

1

State identity

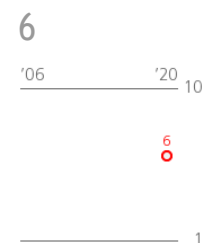
8

'06 '20 10
8

1

Christianity was introduced in Swaziland in 1825 by King Mswati II, who invited Christian missionaries to his kingdom. Currently, approximately 90% of the people see themselves as Christian, whereby the African Initiated Churches are the biggest group. The AICs include the Zionist churches that originated from Zion, Illinois, and blend traditional African with Christian belief. There are three main church organizations in the country and these are the Eswatini Conference of Churches, the League of African Independent Churches and the Council of Swaziland Churches. The constitution guarantees the right to freedom of thought, conscience or religion (article 23) including the right to worship, alone or in community with others, and to change religion or belief. In January 2017, the cabinet issued a decree requiring public schools to teach only Christianity and exclude the teaching of other religions, which was contested by the Muslim community (app. 2%) as well as other civil society organizations.

No interference of religious dogmas



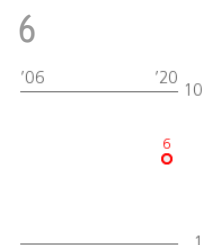
As a monarchy, the royal family of Eswatini claims to have the divine right to rule and a direct line to God. According to the constitution, the king is a symbol of unity and the “eternity of the Swazi nation.” In 2013, King Mswati’s elder brother, Prince Masitsela Dlamini, said that God had given the royal family authority to rule over other Swazi clans.

But the Christian belief is more or less added to traditional beliefs and practices, like veneration of ancestors, spiritual medias or healing practices. For example the queen mother (Ndlovukati) acts as custodian of rain medicines. The whole culture on which the kingdom is based (reed dance, Incwala) is pre-Christian. Traditional diviners (tangoma) also work through witchcraft that can be used to intimidate people.

This means that the state is secular but with a lot of religious influence as both Swazi traditional religion and Christianity are used to sustain the monarchy and to browbeat ordinary citizens.

Infrastructure is very rudimentary due to the landscape and restricted state resources. 58% of the population have access to sanitation, which is higher than the global average (only 30%) and in Sub-Saharan Africa. In general, 74% of the population has access to an improved water source, a percentage that is similar to the average in sub-Saharan Africa. But people living in remote and dry places in the mountains have major difficulties in accessing drinking water throughout the year.

Basic administration



With 28.6% tax revenue of GDP (2017 est.) the country stands at 94 in comparison to the world.

Hospitals are often running short of medication and this is usually attributed to government’s poor physical discipline and failure to prioritize delivery of essential services. For a small country, service delivery in all parts of the country should not be a problem but inefficiency and corruption are challenges.

Public transport is also weak although only around 30% of private people own cars. While there is a freeway between Ngwenya and Manzini and one from Manzini to the airport under construction, most roads either consist of potholes or are still gravel roads.

2 | Political Participation

The electoral system in Eswatini is unique. Every five years elections are held in Eswatini. Since the new constitution was adopted in 2005, elections are held in secret ballot.

According to the constitution, the system of governance is a participatory democratic. The Tinkhundla-based system emphasizes the decentralization of state power from the central government to Tinkhundla areas (constituencies). The online media outlet AllAfrica explained that elections in Eswatini are conducted “under a somewhat confusing yet archaic system of government called Tinkhundla.” These elections are explained as “a political relic from medieval pre-enlightenment period.”

There are two rounds of the elections: the primary and secondary elections. The primary election takes place at the level of the chiefdoms. People stand for election as independent or individual candidates and at times, the chiefs may influence the choice of candidate. All winners then run for office at the Inkhundla (constituency) level. The person with the highest number of votes in the secondary election becomes a parliamentarian in the House of Assembly that consists of 79 members, of whom 59 are elected by the people and up to ten are appointed by the king. The current parliament has an additional four women elected from the four regions of the country to try meet the female quota in parliament as per the constitution.

Political parties are not explicitly permitted in the constitution, although article 25 provides for freedom of assembly and association. This system of government was established by King Sobhuza II in 1978, after annulling the Westminster model in 1973, inherited from British colonial rule. He assumed supreme powers in all executive, judicial and legislative matters.

The Elections and Boundaries Commission (EBC) is established by the new constitution and replaces the Electoral Office that previously managed Swaziland’s elections (Constitution 2005, article 90(1), effective since 2008). The king appoints all four members who stay in office for 12 years.

The last election took place in September 2018 where 156,973 voted out of 544,310 registered voters in the primary election, which would mean that 28.8% of the electorate voted. A voters’ roll was made available at all polling centers and used for verification by electoral officers and observers. However, the official numbers of registered voters were later disputed by the commission and up to now the country is

Free and fair elections

1

'06 _____ '20 10

_____ 1 1

awaiting a final report on the elections. The results of the 2013 election were also not published until just before the 2018 elections where a brief report was made public. The king appointed Ambrose Dlamini as prime minister in October 2018, although he was not a member of the House of Assembly at the time of his appointment, as required by the constitution. Official complaints were made to the EBC about malpractice, such as accusations of bribery, vote-rigging and police violence.

There are no numbers available to show how many members the political parties or democratic movements are there – not even on their official websites – due to fear of victimization as the mere wearing of proscribed political party regalia could bring them to prison. This makes it difficult to measure the strength of democratic movements and how they can influence the election process. Most members of progressive organizations do not participate in the elections.

As Eswatini is an absolute monarchy the king has veto powers. He is above the constitution and sees himself in direct contact with God and the ancestors. This political practice is still widely accepted as the only way people want to be governed and it has to be understood that most people only understand this from a cultural point of view, with less appreciation of how it can be abused by the modern monarchy.

The King's Proclamation to the Nation No 12 of 1973 (the 1973 Decree) is still the supreme law of the country as there is no clear pronouncement of its repeal. This decree places all executive, judicial and legislative functions in the king himself, and this is also what the 2005 constitution did. The fact that the king appoints the cabinet, prime minister and part of the parliament hardly leaves any space for the will of the people to govern the country. At the same time, this diminishes the influence of elected individuals.

The dominant political debate in Eswatini is around the position and role of political parties. Although the current constitution guarantees freedom of assembly and association (article 25), the status of political parties is unclear. They are considered political associations. The constitution also protects freedom of expression (article 24) but often demonstrations are forcefully dissolved. Police brutality, intimidation and unlawful arrests are the order of the day. This applies not only to protest by political parties but also to trade union strikes and demonstrations.

In addition to explicit party-political associations, there are also a number of interest groups and NGOs in Swaziland that work toward democracy, respect for human rights and against the personal enrichment and corruption of the royal family. These include the FSEJ (Foundation for Socio Economic Justice), which was founded in 2003 as an umbrella organization for various social movements focusing on health, poverty reduction and youth organizations to initiate broad-based civic education programs. There is the Swaziland United Democratic Front (SUDF) that is also an umbrella organization and the Constituent Assembly of Civil Society which include political parties in its membership.

Effective power to govern



Association / assembly rights



The constitution enshrines freedom of expression and freedom of the press. Nevertheless, independent media is prevented by the state and the traditional leadership from publicly criticizing the state leadership or the royal house. This is encouraged by the fact that customary law also restricts the freedom of the media and freedom of expression. There are cultural commandments that prevent people from criticizing or questioning royal authority. The Media Institute of Southern Africa (MISA) estimates that there are more than 30 legal texts in Eswatini restricting the activities of the media. They date from before the 2005 constitution came into force and have not been repealed or amended afterwards. Although the constitution is theoretically superior to all other laws, unwritten customary law exercises enormous power in practice. However, since customary law is not codified, conformity with the constitution cannot be verified.

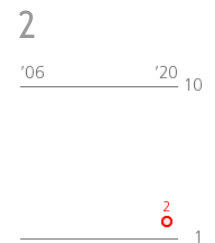
According to Reporters Without Borders, there is no media freedom in Eswatini, which ranks 152 out of 180 in the World Press Freedom Index 2017. According to a 2014 report by the African Media Barometer, journalists in Swaziland face routine intimidation by the state. The fact that the state controls media frequently also leads to self-censorship among journalists.

3 | Rule of Law

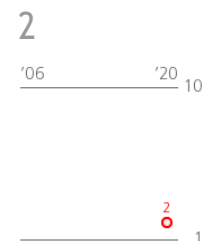
Although the constitution differentiates between three spheres of government (legislative, executive and judicial), the king is extreme strong within the executive power. The king, who remains the chief executive authority for example he is commander-in-chief of the defense force, commander-in-chief of the police service and the commissioner-in-chief of correctional services. This means that the monarch controls all arms of government. The king inherits law and custom and shall exercise those rights and prerogatives. He is empowered to appoint and dismiss the prime minister and members of the cabinet. The cabinet members must be elected in one of the houses. Ambrose Dlamini was appointed prime minister, although he was not a member of parliament at the time of his appointment.

The legislative power is located in the Senate, the upper chamber and the House of Assembly (parliament). The House of Assembly has a maximum of 76 members, of whom a maximum of 60 are elected by the people in Tinkhundla and up to ten are appointed by the king. The parliament of Eswatini is elected for five years. 20 of its members are appointed by the King, ten by the House of Assembly. There are no checks and balances since the king is the sole holder of power.

Freedom of
expression



Separation of
powers



Eswatini has a dual legal system that consists of traditional courts, known as Swazi National Courts, and common law courts. The latter includes the Supreme Court and a High Court. Judges are appointed by the king after consultation with the Judicial Service Commission, which itself consists of royal appointees.

Independent judiciary

4



A 2016 report by the International Court of Justice regarding the independence and accountability of the judiciary found the following:

The constitutional and legislative framework does not respect the separation of powers or provide the necessary legal and institutional framework and safeguards to ensure the independence of the judiciary. The former Chief Justice Ramodibedi failed to protect and defend the institutional independence of the judiciary. The executive failed to respect the independence of the judiciary and the failure to respect the independence of the judiciary by the executive and the failure by the Chief Justice to defend the institutional independence of the judiciary created conditions conducive to abuse of the legal system for personal gain.

4



Currently there is a court application pending that challenges the legality of the name change in the country, brought to court by the Institute for Democracy and Leadership (Ideal) and its director Thulani Maseko. This can be seen as a test of the courts' willingness to show independence and impartiality when it comes to matters involving the king and the way he uses his powers.

Corruption at the higher levels of government is not prosecuted and that compromises the government's political will to deal with corruption. A report by the Office of the Auditor General exposes widespread fraud and financial irregularities across numerous government ministries, including the offices of the prime minister, national commissioner of police and the ministries of education, defense and home affairs. The political corruption strongly undermines the entire political and economic system. It is mostly junior officers whose cases are prosecuted thoroughly. Politicians have cases pending in courts indefinitely since they are well connected.

Prosecution of office abuse

1



All rights are protected in the 2005 constitution, but in reality, there is a discussion between civil society activists and traditional authorities about human rights, and in particular, equal rights for women and whether or not LGBTQ rights is a foreign concept.

Civil rights

3



Although declared unconstitutional by the High Court, the Suppression of Terrorism Act of 2008 is still a threat to civil rights groups and political parties.

3



The 2017 amendments to the public order act grant sweeping powers to the national commissioner of police to arbitrarily halt pro-democracy meetings and protests and crush any criticism of the government. The 2017 public order act amends legislation from 1963 on public gatherings. A gathering that is deemed by a police officer to be a direct and immediate threat to public order or safety may be dispersed – if necessary,

by force. The same amendment allows prosecution for criticizing the king or the government or inciting “hatred or contempt” against cultural and traditional heritage.

According to the 2017 U.S. Human Rights Report, the most significant human rights issues are arbitrary interference with privacy and home; restrictions on freedoms of speech, assembly, and association; denial of the citizens’ ability to choose their government in free and fair elections; institutional lack of accountability in cases involving rape and violence against women; criminalization of same-sex sexual conduct, although rarely enforced; trafficking in persons; restrictions on worker rights; and child labor.

Most ordinary people do not have the means to challenge these violations in court. They have no access to the judiciary.

With few exceptions, the government did not prosecute or administratively punish officials who committed abuses. In general, perpetrators acted with impunity.

4 | Stability of Democratic Institutions

Eswatini is an absolute monarchy ruled by King Mswati III since 1986. There is major divergence between the so-called democratic institutions and the role of the royal family, the traditional authorities like chiefs and headmen and civil society. In general, there are no democratic institutions and there is a lot of despotism and arbitrary governance of the country.

Neither the Supreme Court nor the High Court, which interprets the constitution, can impeach the king or queen mother, as they are immune to prosecution. Although all other citizens can be prosecuted, there is always a gray area when it comes to people who claim to be doing things on royal command and here the system becomes vulnerable to abuse as people may use the name of their majesties for personal gain. The dual legal system also complicates this further. As a result, there are many unresolved chieftaincy disputes and people who hide behind the Swazi National Council or the traditional regiments system and claim they are governed by traditional law and customs. Citizens who are convicted in the traditional courts may not appeal to the High Court.

In the magistrate courts and High Court, trials are often protracted.

Government fails to effectively implement laws, such as the law providing criminal penalties for official corruption, which too often leads to impunity. Corruption in the executive and legislative branches of government seems to be widespread and common but the government fails to combat it.

Performance of
democratic
institutions

2

'06 '20 10

2

1

The absolute monarch has veto powers – he is above the law. While the idea of an absolute monarch is not questioned by the majority of the population, there is a lot of shakiness and indignation about the way this power is currently used primarily as a means to enrich individuals. Social and political actors in the country such as churches, NGOs and parties are committed to democratic institutions, although this cannot be said of all the arms of government.

Commitment to democratic institutions

3

'06 '20 10

3

1

5 | Political and Social Integration

The NNLC (Ngwane National Liberatory Congress), Eswatini's oldest party, gained increasing influence after independence, prompting King Sobhuza to ban political parties in 1973. The constitutional reform of his successor King Mswati III allows freedom of assembly, but does not explicitly refer to parties, so their status has not yet been clarified. The core membership of the NNLC comes from urban, educated strata and the party is committed to pan-Africanism. In recent years, the NNLC has repeatedly called for the Tinkhundla elections to be boycotted. The NNLC stands for a constitutional monarchy and is considered more moderate than the PUDEMO.

Party system

1

'06 '20 10

1

1

The PUDEMO (People's United Democratic Movement) is probably the largest and most important political movement for democratic change and was founded in 1983 with the aim of creating a multiparty democracy. In 1996, it adopted the People's Manifesto calling for the creation of a constitutional multiparty democracy with an elected and accountable government. Its President Mario Masuku, like many other democracy and human rights defenders, has repeatedly been imprisoned on the basis of the Suppression of Terrorism Act of 2008.

SWADEPA (Swazi Democratic Party) was founded by two trade unionists in 2011. Its members were elected to parliament in the 2013 elections as a way to exert indirect influence. Among them is the leader of the party, Jan Sithole. At their congress in August 2017, they decided to formally run as a party for the first time in the 2018 election.

The Swaziland United Democratic Front (SUDF) was founded in 2008 by various civil society organizations, trade unions and political movements, including PUDEMO. This was an attempt to overcome the differences within civil society in favor of a coalition of all democratic forces, since the differences are relatively small when compared to the problems that exist against the regime of King Mswati III.

Some parties called for a boycott of the 2018 elections.

The problem at present is that both sides stick to their respective ideas (multiparty democracy on the one side, absolute monarchy on the other) without finding common ground or alternative models.

There are some other parties, which are defunct because they are banned or some parties are not taken seriously because they do not have any real political or democratic aims.

On the one hand, there are civil society organizations, the church and trade unions. On the other, exists the royal family, traditional leaders and those who are loyal to them due to financial benefits.

Besides churches, civil society groups operate mainly in urban areas while the traditional system is extremely deep rooted in rural areas where 76.20% of the population live.

Trade unions are traditionally a mediator between government and private companies on the one hand and workers as part of the civil society on the other hand. Although trade unions are now legally recognized as a result of international pressure, they can only work undisturbed as long as they concentrate on their trade union work. They are the only ones who can legally hold demonstrations. In the 1990s, the trade union movement was so strong that, during a nine-day general strike in January 1996, it was able to mobilize almost all the workers at the time.

The umbrella organization TUCOSWA (Trade Union Congress of Swaziland) merged in 2012 from the Swaziland Federation of Trade Unions (SFTU), founded in 1983, and its spin-off Swaziland Federation of Labor (SFL). It has about 40,000 members and with an unemployment rate of 26.40%, there is not much growth to be expected.

Often marginalized, the rural poor have little representation. Some are represented through former mine workers association, which can negotiate effectively with government on their respective issues but have no influence on a broader social dialog.

The very active SRWA (Swaziland Rural Women's Assembly) is an association of small farmers, small savings and credit cooperatives and other community-based women's organizations and initiatives that fight for social, economic and political justice at the local and national levels. SRWA also creates democratic space for rural women to share experiences, advocacy skills and speak with a united voice. It also empowers women to challenge the status quo and train them to participate in decision-making processes on issues that deal with their rights, interests and welfare. SRWA also lobbies and advocates for policies that promote and protect women and girls' rights like the current SODV bill of 2015.

Interest groups

4

'06 '20 10

4

1

There still is a widespread acceptance of the monarchy and the Tinkhundla-system, the latter being seen as more “African” than a multiparty democracy. Although the Tinkhundla was established by King Sobhuza II only in 1978, it is seen as traditional. Unfortunately, it is not run as it was meant to be, such as decentralizing government services and economic development to the Tinkhundla centers.

Although there is no reliable data available, there is trust among parts of the population, especially in rural areas. Despite the absolute monarchy and the ban on political parties, Swaziland has a diverse civil society, including trade unions, religious communities, women and charity organizations. They all work under difficult conditions, especially when they are working for more democracy and human rights. Then they are often subjected to harassment and their employees are threatened and persecuted. In the past the constant pressure on civic organizations, especially civil society organizations has repeatedly led to splits, new formations or startups, which often severely impairs their effectiveness in the long term.

The harsh living conditions and the poverty levels gives most citizens almost no possibility to work voluntary. Their ability to share is also limited. Due to the fact that most citizens rather see themselves as subjects also hinders a widespread solidarity that aims to better the situation.

Especially among the rural population, which is traditionally conservative and mostly loyal to the monarchy, democratic participation is to be promoted and awareness of human and constitutional rights raised. One success is that an increasingly number of people dare to speak to chiefs and express their dissatisfaction. The organization CANGO (Coordinating Assembly of Non-Governmental Organizations) has also succeeded in bringing together and strengthening other groups such as former miners and street vendors. This umbrella organization was founded in 1983 as a network for NGOs in primary health care. Since 1987, CANGO has taken over the overall coordination of the approximately 70 member groups in Swaziland with the central task of moderating the networking, organizing capacity-building measures for the members of the network and influencing national and international policy through advocacy work.

Approval of
democracy

n/a

'06 _____ '20 10

_____ 1

Social capital

6

'06 _____ '20 10

_____ 6

_____ 1

II. Economic Transformation

6 | Level of Socioeconomic Development

In 2017, Eswatini was labeled the world's most unequal country by Oxfam. Close to two-thirds of the population lives below the poverty line of \$3.20 a day, the majority of which lives in the rural areas. While the overall HDI value is 0.536, ranking the country at 141 out of 187, development is very unequally distributed. The Manzini-Mbabane corridor is more developed, urbanized and industrialized. Social and economic exclusion is entrenched in the economy, which makes it extremely difficult for the majority of the population to better their lives. Low social mobility is amplified by the systemic denial of basic rights.

Question
Score

Socioeconomic
barriers

2

'06 '20 10

2

1

Economic indicators		2015	2016	2017	2018
GDP	\$ M	4020.3	3817.4	4433.7	4703.8
GDP growth	%	0.4	3.2	1.9	0.6
Inflation (CPI)	%	5.0	7.8	6.2	4.8
Unemployment	%	23.6	22.7	22.3	22.5
Foreign direct investment	% of GDP	0.8	0.7	-1.3	0.5
Export growth	%	-1.5	-1.9	10.8	-
Import growth	%	-5.0	10.9	21.2	-
Current account balance	\$ M	734.4	541.1	553.6	-
Public debt	% of GDP	17.7	25.0	27.5	35.2
External debt	\$ M	367.5	487.1	652.2	509.2
Total debt service	\$ M	34.3	41.0	46.4	46.2

Economic indicators		2015	2016	2017	2018
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	20.5	24.1	24.5	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	5	5.3	-	-
R&D expenditure	% of GDP	0.3	-	-	-
Military expenditure	% of GDP	1.7	1.7	1.8	1.5

Sources (as of December 2019): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

While Eswatini in some ways has a relatively strong institutional and legal framework that guides its markets, the kingdom's largest sectors are dominated by a few major companies, high state interference and a high level of nepotism. Nepotism is often expressed by members of the royal family being on the board of large companies and in senior management in state parastatals.

Royal interests in various sectors results in priority being given to the royal family members over rights usually associated with healthy competition, for instance private property rights. Over the last couple of years, land grabbing has occurred in several cases related to the royal family. For foreign ownership, royal interference means that a large percentage of the shares are required to be given to royal family members, which is often a deterrent to foreign investment and enterprise. While there is no official policy to direct such claims, it is enforced without relevant state agencies having enough political leverage to oppose it.

For local businesses, it takes a relatively long time to complete the legal process of starting a business, and it is expensive. While the time and cost needed have significantly improved, it is still not conducive to a dynamic business environment. The difficulties are multiplied if the new business owner is entering a market with royal competition.

Market
organization

4

'06 '20 10

4

1

Antitrust laws exist to avoid monopoly tendencies and are guided by the Swaziland Competition Commission. Few cases have however been recorded of mergers being denied. While the regulatory bodies and legal framework is in place, these have yet to be tested against a major merger with strong political interest. Political interest typically outranks legal enforcement, resulting in arbitrary or non-existing implementation. So, while independent agencies are functioning, the royal family and senior members of government can interfere in their actions, confusing the role of state. Many large state-owned enterprises (SOE) exist but have no legal advantage over private companies.

One of the more interesting initiatives in recent years is the slow privatization of SOE and opening in the telecommunication sector where the establishment of new companies has lowered prices for consumers considerably.

In the agricultural sector, many small-scale farmers, especially in the sugar industry, are still faced with having to pay a significant portion of their revenue to local chiefs through tributes and bribes as the traditional authority (the chiefs and royal family) and the formal authority (the state) co-exist in an unclear relationship.

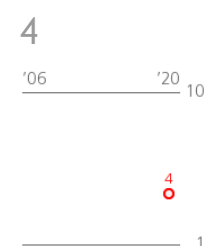
As a member of the Southern African Customs Union (SACU) and the Southern African Development Committee (SADC), Eswatini applies low or no tariffs to imports and exports from the region. Exports from the agricultural industry are organized and regulated under various boards. Sugar exports, the largest export of the kingdom, have previously enjoyed preferable access to European Union markets, but the access have been phased out over the last couple of years, in favor of increased exports to the region.

The textile industry in Eswatini enjoyed preferable access to the U.S. market under the African Growth and Opportunity Act (AGOA) but lost it in 2015 due to poor governance. The kingdom was re-introduced in 2018, but is yet to reach pre-2015 production levels.

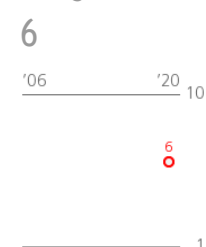
While rhetorically committed to foreign investments, the government has not implemented significant investor friendly policies. This is particularly an issue regarding private land ownership, which is close to non-existence outside urban areas.

The banking system of Eswatini is largely reliant on the South African system and most banks are subsidiaries of major South African banks, as such it adheres to national standards and is guided by the central bank. South African Standard Bank is the largest bank in the kingdom and the SwaziBank, now EswatiniBank, is the only national bank. The kingdom is under-banked as less than half of the adult population has a bank account, this should however be seen in the light of the high level of unemployment, poverty and subsistence farming.

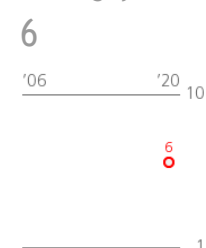
Competition policy



Liberalization of foreign trade



Banking system



Historically, the banking sector has been stable. For instance, there has never been a bank disclosure and non-performing loans to gross loans ratio have been low. Following the recent drought, the ratio increased, along with the capital to assets ratio.

A financial sector reform program was initiated in 2017, which is focused on increasing regulatory transparency, ensuring stability by minimizing risks through increasing minimum capital ratios (current at 8%) and furthering financial inclusion through encouraging company public listing. Only seven companies are listed on the Eswatini stock exchange, with liquidity and volatility both being very low, making it difficult for pension funds to invest nationally.

8 | Monetary and fiscal stability

Eswatini's currency lilangeni is pegged at 1 to 1 to the South African rand through the Southern African Customs Union (SACU). However, since 2018, the lilangeni had a discount rate of 6.75% to the rand. The discount was introduced mainly to stabilize inflation after the economic impact from the recent drought.

Inflation has therefore been decreasing in the reference period with an average of 6.3. While many public institutions in the kingdom are heavily influenced by royal interest, the central bank remains independent with little evidence to the contrary.

Eswatini is over-dependent on the kingdom's revenue received from the SACU, which has declined in recent years. To account for the gap in the national budget caused by the decline in SACU revenue, Eswatini has increased its public debt from 31% of GDP forecast to 36% by 2020. Both domestic and external debt have been increasing, as it has not been possible to further expand the tax base.

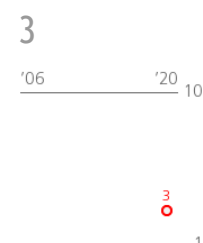
Despite rhetorical commitment to fiscal stability, policies are yet to be implemented to this end. The fiscal deficit has consistently been at around -5% over the last couple of years. As SACU revenue continues to decline and a high tax burden has already been imposed on consumers, it is difficult to see where the necessary revenue will come from to stabilize the budget.

Transparency and public scrutiny of the budget has consistently been low and parliamentary oversight, while existing, have not been effective in questioning the budget. The lack of democratic budgetary oversight has contributed to a lack of effective policies being implemented to address the deficit. This is further stressed by the continuous insistence from consecutive governments on spending on large-scale capital projects: the new airport, the science park and the conference center. All largely unnecessary project.

Monetary stability



Fiscal stability



9 | Private Property

Numerous reports on doing business mentioned the major obstacle to investment in Eswatini as the problematic method of land ownership. The vast majority of land in Eswatini is held in trust by the traditional authorities (the chiefs and the royal family), which is especially prevalent in rural areas.

Living on Swazi nation land, means that people do not hold title deeds to the land they live on and they can be removed at any point. That means people cannot use the land they live on as collateral when applying for bank loans or fully develop the land for business purposes. Urban areas are usually privately owned.

As there is an abundance of land for most people in the kingdom, popular opposition to the land policy has not manifested. But with increased pressure on land, for example by the expanding sugar industry and the increased value of otherwise barren land through the Lower Usuthu Smallholder Irrigation project, the issue can easily raise popular awareness.

Eswatini has over 30 state-owned enterprises (SOE) that operate nationally but do not enjoy legal preferences. Privatization and opening of new markets for private enterprise is slowly occurring and has already benefited telecommunication consumers. A reform of the SOEs is underway and a plan to at least partially privatize is underway. While little precedence exists for such a process, corruption and royal interference is common in both the private and public sector. Rhetorically the government appreciates the private sector, but regulation, while in a reform process, is not transparent and suffers from slow implementation.

Larger private companies exist but cannot operate without royal interference. A divergence between royal interest and government interest/policy is currently increasing, perhaps as a testament to growing grievances from civil servants about the non-productive relationship between royal interest and economic development. Royal interference in larger companies also refers to access to tenders and circumventing the legal framework.

10 | Welfare Regime

Life expectancy in Eswatini was 57.8 years in 2016, which is a tremendous increase from 46.8 years in 2006. It is however still markedly low. According to World Food Program (WFP) two-thirds of the population lives below the poverty line of \$3.2, the country ranks 148 out of 188 on the HDI and HIV/AIDS prevalence is very high at 26%.

Property rights
2

Year	Score
'06	2
'20 10	2

2

Private enterprise
4

Year	Score
'06	4
'20 10	4

4

Social safety nets
3

Year	Score
'06	3
'20 10	3

3

More than two-thirds of the population rely on subsistence farming, which the unpredictability of climate change makes even more unreliable. Despite these statistics, the state-provided social safety net is minimal and underfunded. For example, 11% of the public expenditure is spent on health. The government provides free antiretroviral therapy to people who are HIV positive and free anti-malaria drugs. The segment of the population living on the margins rely on the WFP and other donors to provide household food ration.

Elder grants have been a hot political topic in recent years but as the grant is still low, the elderly rely more on their families for support. The informal safety net is often strong and the go-to institution in time of need. There is free primary education and a grant for orphaned and vulnerable children at secondary and high-school level. The challenge with almost all these grants is that there remains a need to have clear policies that will regulate their disbursement to the beneficiaries and guarantee that they know they are legally entitled to them as citizens of the country.

The society is relatively homogeneous, especially compared to the surrounding countries and Africa at large. The majority of the population is Christian, divided between various denominations including the rapidly expanding Pentecostal church. A small minority of Muslims are present in urban area but only few grievances against the Muslim minority have been uttered by traditional voices in society.

Women have traditionally been seen as secondary citizens and have until recently not been allowed to own land. Women are still treated as having a lesser say in the public domain, including public office and traditional grievance mechanisms. Women, children, people with disability and PLWHV are still vulnerable members of society. Even though the country was part of a group of states that aimed at 50% female representation in parliament by 2015 set by the Millennium Development Goals (MDGs) in 2008, led by SADC Protocol on Gender and Development, there are only two female members of parliament elected in the 2018 elections. The constitution does give women the power to be elected but some traditional authorities hold strong views against women and treat women as second-class citizen. They are also disadvantaged when it comes to elections, as they do not have the financial muscle to compete with their male counterparts.

Due to the dual legal system, traditional and Roman-Dutch law, arbitrary application of law and overlapping mandate is persistent, especially in legal issues where women have historically been disadvantaged, for example issues of inheritance, landownership, marriage and so forth. Consequentially, gender-based violence is prevalent with half of all women experiencing sexual violence at one point in their life. This is seen in weekly newspaper articles reporting on men assaulting or murdering their wives or girlfriends. Despite the unequal power relations between women and men, women have almost the same literacy rate as men at 82% to 83%, and a similar education enrollment level. Women occupy 41% of the labor force but are often employed in the textile industry and other lower paying jobs. While statistics

Equal opportunity

3

'06 '20 10

3

1

are not available, it is rare to see females in higher management and better paying jobs.

Political affiliation to specific political parties has also led to exclusion from society. This has especially been evident for public employees who have been fired for publicly announcing political affiliation.

11 | Economic Performance

The kingdom is ranked as a lower middle-income country with a GDP per capita, PPP of \$8,496 and the government aims to be a middle-income country by 2022, achieving what the government has defined as first world status. Inflation is relatively low at an average of 6.3% over the reference period. With unemployment at 28%, FDI at -1.3, and low gross capital formation at an average of 12% of GDP over the reference period, it has been difficult for Eswatini to achieve the desired economic growth.

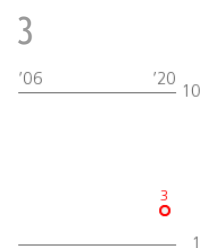
The government have similar been unable to balance the national budget running a deficit that is financed by domestic and foreign loans, public debt stood at 31.1% of GDP in 2017 and is expected to rise following an extensive drought. The funds from loans have been supplemented with increasing tax revenues, which was possible by a more effective tax collection and the introduction of VAT on consumer goods. Another large source of income for the state has been the redistribution of revenue from the South African Customs Union, standing at an average of 12% over the reference period.

The over-reliance on the revenue from SACU is however not sustainable as SACU revenue is forecasted to decrease over the next couple of years.

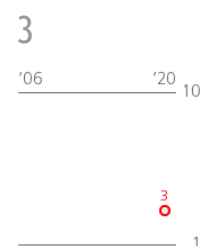
12 | Sustainability

The government's commitment to battle climate change and climate change preparedness have been demonstrated by the development of the national climate change policy (NCCP). This is particularly important, as climate change has already led to unpredictable weather patterns, including large variations on rainfall (droughts) and extreme temperatures, which can be devastating for the large portion of the population surviving on subsistence farming. Institutionally, the responsibility of implementation falls under the ministry of tourism & environmental affairs, which is currently focused on developing the 2020 National Adaption Plan that takes its point of departure from the 2016 national climate change policy. Despite the introduction of climate strategies, national funds are limited as the national budget is already constrained and the climate efforts therefore depend on international funds and

Output strength



Environmental policy



international expertise. Institutional coordination is also low, with responsibilities being shared by three departments and two ministries.

To confuse institutional mandates further, environmental degradation because of mining falls under the ministry of natural resources & energy, while the land degradation following monoculture (especially sugar cane) falls under the ministry of agriculture. In relations to mining, issues of environmental pollution and grievances from the local community around the Maloma mine has been reported on multiple occasions.

Eswatini has been able to benefit from its mountainous geography by building large dams to facilitate hydroelectricity. Consequently, Eswatini gets 60MW from hydroelectricity, which is around 16% of the total consumption. The remaining bulk, around 80%, of its electricity is received from South Africa and Mozambique, both mainly relying on coal. Despite the many days of powerful sun, solar power has been a slow-comer to Eswatini's energy portfolio. The government recently initiated the development of two 5MW solar parks with demonstrates its commitment to renewable energy sources.

Free primary school was introduced in the early 2010s, funded by international donors who supported the first two grades and government funding for the remainder. When funding for education from international donors was phased out, the government was also experiencing declines in revenue that affected the quality of primary school. The quality of education at school level has dropped due to poor implementation of the free primary education policy.

The number of students in class increased, with some teachers reporting close to 80 students in one classroom. Secondary education is of poor quality following changes enacted by the government. The government provides scholarships to Swazi students for tertiary education, but they are not enough for all students. For that reason, the government has been trying to allocate scholarships for essential courses. Some students choose to attend university in neighboring South Africa, where the quality of education is significantly higher. Scholarship allocations have been subject to politicization, where politically-affiliated students have been denied scholarships.

The current national budget allocates 15.2% to education, which still falls short of the 20% targeted in UNESCO's Education for All campaign. Its literacy rate of roughly 80% is low in comparison to other lower-middle income countries.

Education policy /
R&D

3

'06 '20 10

3

1

Governance

I. Level of Difficulty

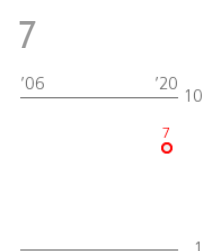
Eswatini is a landlocked, mountainous country, surrounded by the regional power South Africa and Mozambique. The country is economically and politically dependent on South Africa, with the majority of trade with or through South Africa. South Africa is also the main contributor to the Southern African Customs Union's revenue, which Eswatini is dependent on. The majority of the population is poor, more than 63% of the population faces poverty (2017).

The unemployment rate stands at 28% (2014 est.). Eswatini ranks 144 out of 189 on the Human Development Index. Since colonial times, men have worked in South Africa's mining industry and, to some extent, still do. Contracting lung disease and HIV/AIDS, along with amputations due to a hazardous work environment is common among the returnees. And since the 1980s, HIV/AIDS and TB are endemic. In 2016, the prevalence rate of HIV among adults (aged 15 to 49) was 27.2%, then the highest in the world. Eswatini's UN Education Index score 0.528, which is relatively high compared to the African average of 0.419 and the country's overall poverty index score. Climate change has also been harsh on Eswatini, as extensive droughts have occurred in recent years. Despite the structural constraints, the main obstacle to development is poor and repressive governance.

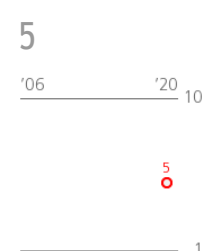
Despite the absolute monarchy and a ban on political parties, Eswatini has a diverse civil society, including trade unions, religious communities, charitable institutions and political parties. Civil society groups are mostly strong on social, health and development issues. They all work under difficult conditions, especially when they work for more democracy and human rights. They are often subjected to harassment and their employees are threatened and persecuted. In the past, the constant pressure on civil society organizations has repeatedly led to splits, new formations or foundation, which often severely impairs their effectiveness in the long term.

The contribution of civil society in the development of the country cannot be undermined as they have reached out to the most remote areas of the country bringing much needed help. Churches have established schools and health facilities complimenting the government's effort to improve education and health for the people. In the fight against HIV/AIDS, civil society organizations partnered with the ministry of health in raising awareness, providing HIV testing facilities, bringing treatment and support to people affected by and infected with HIV.

Structural
constraints



Civil society
traditions

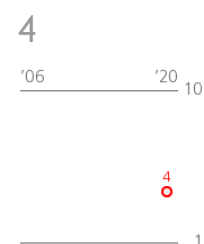


The most important conflicts are between the king and the security forces on the one side and small democratic-oriented parts of the population in urban areas. The current political situation and the constitution can be a source of conflict. The economic crisis that the country is currently experiencing may be another source of conflict as it affects service delivery by the government. But the majority live a rural life. Political parties, which the government categorizes as “terrorist elements,” are urban. Police attack all forms of protest. Although there is no ethnic or religious diversity or conflict, there is a deep gap between the royal house as the traditionalists want to see it in respect to their beliefs, and the way the family behaves and sucks the country’s wealth. The royal family and its allies own the country.

The only associations that can officially demonstrate are the trade unions, but only if the demonstrations relate to labor issues. But even their demonstrations are more often brutally attacked by police using lethal ammunition.

During elections, there were violent incidents. Protest is small, often people have no idea how to speak out and express their grievances.

Conflict intensity



II. Governance Performance

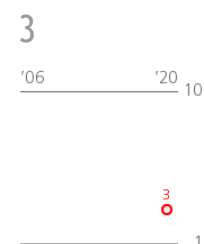
14 | Steering Capability

The government sets strategic priorities and has in some areas been relatively successful in reaching them. This includes the near eradication of malaria and the large-scale irrigation agriculture projects. While these priorities were met, the executive branch of government continues to set unreachable and non-sensical priorities. There is for example an official border committee that regularly visits South Africa to negotiate moving the border west to include traditional Swazi land as far as Gauteng. Another example is the government committee focused on water access through the Maputo Bay, by way of digging a ditch.

The government also published a Program of Action (2013–2018), which aims to fast track progress toward Vision 2022. The Vision 2022 includes a policy of industrial development, which shall be humane, sustainable, social, and above all, technological. In 2022, the country will be a first world country said King Mswati III. As a monitoring tool for the program, the Eswatini Development Index (SDI) was defined with eight focus areas: economic prosperity, agriculture and environmental sustainability, education, health, government service delivery, infrastructure, governance and corruption. Despite some effort, the 2022 Vision is impossible to fulfill, as the country is nearly broke, without significant economic growth projected in the near future.

Question
Score

Prioritization



The government consistently fails to implement policies due to a mixture of incompetency, lack of will and lack of funding. In addition, even though the government may have good policies they often fail to implement them to the end and in the stipulated time frame. This is exemplified by the multiple suspension of ministers, who fall short of meeting priority targets.

Implementation



The National Development Strategy (Vision 2022) for example set a target of 100% access to water and sanitation. The sector has not undertaken an analysis to give a clear picture of progress, however government reports indicate an annual increase of water coverage by 2% through government implementation and 1% by civil society. This projected annual increase places Eswatini at an estimated 78% access to improved water access, which is a 6% increment in coverage. If the country were to sustain an annual growth of 3% water access the target would be met by 2026.



The government of Eswatini is not able to learn due to the mere fact that their decisions are completely dependent on King Mswati III. Freedom House stated, “The king exercises ultimate authority over all branches of the national government and effectively controls local governance through his influence over traditional chiefs.”

Policy learning



This is clearly visible in the fact that the king received birthday presents from Public Service Pensions Fund, sugar industry and others, worth €6.8 million, at the same time people are dying because of the lack of medicines in hospitals; Schools are struggling to feed malnourished children because the broke government cannot pay its suppliers.



There is no willingness or effort to investigate human rights abuses or corruption in Eswatini, the latest report from the United States Department of State concludes.

15 | Resource Efficiency

The government wastes nearly all available human, financial and organizations resources because of corruption and nepotism, especially from the royal family. The government has often failed to absorb skilled human resource such that they may go to neighboring countries. A good example is the number of cabinet ministers is approximately 20. The new cabinet includes the king’s daughter Princess Sikhanyiso and a number of the king’s siblings.

Efficient use of assets



Military expenditure stood at 8.31% of central government expenditure in 2012, which means Eswatini ranks 47 out of 138 countries. This amounted to \$63.9 million while in 2017 Eswatini already spent \$72.70 million (SIPRI).



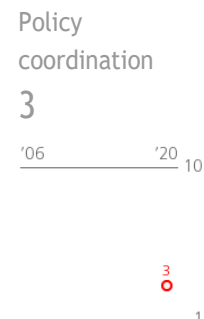
The latest review of fiscal transparency published by the United States government stated that it often is unclear how money is allocated in the budget. Revenues from natural resources and land leases were not included in the budget

Government is responsible for trying to keep public debt at a relatively low level, but in the last couple of years, debt has been increasing.

Policy coordination in the country is poor due to the nature of decision-making in government, as the king ultimately decides, and due to the level of competency in government. Poverty eradication in rural areas have for example been pursued through large-scale irrigations projects aimed at assisting small-scale farmers. While the irrigation projects have been relatively successful, small-scale farmers do not have access to affordable financing to properly facilitate the new irrigation and must pay commercial interest on their capital loans, which is often as high as 30%. Adding to the poor policy coordination is the confused institutional mandates.

The newly elected prime minister, Ambrose Dlamini, and King Mswati III have both publicly stated that the government has a zero tolerance for corruption. In this endeavor, the government has strengthened the anti-corruption commission and enforced code of conducts for civil servants on nearly all levels. Reports to the commission have increased rapidly in recent years and in the fiscal year of 2015/2016, 533 complaints were filed, up from 78 complaints in 2012/2013. Despite the encouraging number of complaints and a commitment from government, multiple studies have demonstrated that corruption is widespread and entrenched in the executive and legislative branch of government. The kingdom's own attorney general published a report in 2017 reporting that more than \$2.09 millions was lost to corruption and fraud, including close to a million in disability grants that was disbursed without established guidelines. Bids for state tenders are made public, but it can often be difficult to find the reasoning behind the choice of tender. While information is available to the public, the majority of Swazis live in abject poverty and have other issues to worry about. Furthermore, Eswatini is not democratic so the electorate cannot vote corrupt politicians out of office. The economic system in Eswatini is also structured in a way that the royal family benefits from most large business deals, whether it be in the sugar industry, mining or telecommunication, and while that might not be deemed corruption in a legal sense, the funds do not benefit the people of Eswatini.

Because all anti-corruption campaign laws have failed, in June 2018 demonstrations began. The police ended the demonstrations by attacking workers who demonstrated to end corruption.



16 | Consensus-Building

Different players do not agree on the role to be played by democratic institutions and democratic norms. On issues regarding democracy, there is no consensus between the king and government on the one side and groups that cannot technically be referred to as political parties due to the 1973 proclamation that parties are banned, progressive organizations and trade unions on the other. The definition of democracy as a monarchical democracy has not been accepted by the progressive movements who are calling for a multiparty democracy. Although the country's authorities would like to make the world believe that the people of Eswatini have said they are not ready for multiparty rule, political parties in the country do advocate establishing a multiparty system. With political parties being banned and labor unions facing a repressive environment, it is difficult for parties or party formations to even function. It is for that reason that these groups currently advocate legislation that will enable the registration and regulation of political parties. Political parties and labor unions are therefore rarely included by the political leadership in discussions on the development direction of the kingdom. In general, there is no consensus of democracy and political actors only speak about market economy.

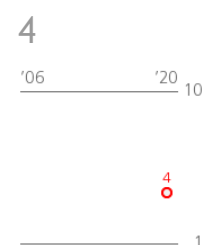
The most important actors and the population as such agree on targeting the goal of ensuring a functioning market economy, though there are differences of opinion as to how best to pursue this goal. Very few large companies such as the Royal Swazi Sugar Corporation (RSSC) are included in policymaking discussions regarding how best to enhance the market in Eswatini and although there is a chamber of commerce in the country, it is rarely consulted in strategic discussions. While the current regime does implement policies to improve the market, it remains fundamentally a self-serving and kleptocratic government.

Eswatini is an absolute monarchy in which the executive branch and traditional leaders, who benefit from the system, demonstrate no interest in democratization. While there is a parliament, it has no real power and largely serves to rubber stamp the government's decisions. One political party, the Swaziland Democratic Party, did manage to win a few seats in parliament that have nonetheless not been given to the party, which was not part of parliament in the 2018 election. Security forces, especially the army, are financially inflated and exist solely to quell the pro-democratic forces. As they take up a large share of the annual budget and commanding officers are paid very well, they remain loyal to King Mswati II.

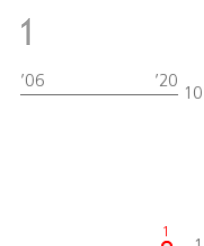
There are several oppositional organizations, but most of them are limited in their capacity to organize and mobilize the population to form any real political opposition. While there are moderates and revolutionaries among the opposition, most members of the opposition envision a political future that involves the royal family in a cultural and ceremonial capacity.

The people of Eswatini hold on to their cultural traditions, which has been exploited to reinforce the current system of governance. During the constitutional review

Consensus on goals



Anti-democratic actors



process, people were asked if they would like to have political parties or the king without any explanation of how political parties function being provided. In fact, people were made to think that political parties will bring war to the country. Those who are opposed to democracy in Eswatini – most of whom benefit from the current status quo – manipulate the culture and the public's ignorance. As mentioned earlier, religious leaders often teach their congregation to not question the authority of leadership.

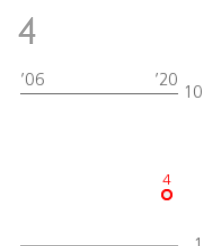
The country's political leadership, which upholds the political system by granting the king his absolute power and veto rights, essentially facilitates the cleavages found within the country. Several political leaders are directly nominated by the king and come from the royal family. There are, however, no ethnic or religious conflicts, as the Swazis (of which 90% are Christian) are the only linguistic group in the country. However, there are several clans in the country, and they have historically been in conflict with each other. The Dlamini clan, which is the king's clan, has been in power for a near century and this has meant that conflicts rarely happen in publicly, but they do underlie power relations in the country. Class conflict exists, but the shared ties to tradition are often stronger. Oppositional forces have proven inept at mobilizing around issues of poverty in rural areas, where the majority of the population lives.

At the moment, the monarchy sees no need to initiate any interaction or negotiations with civil society. Involving societal actors in discussions regarding political issues is not something the king currently accepts.

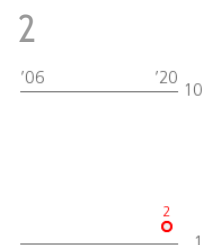
The Swaziland Concerned Church Leaders are an association of politically engaged Christian leaders of different denominations. They were established in 2008 with the objective of peace building and promoting peaceful dialog in addressing conflict. With the Swaziland Kairos Document, which they presented in 2014, they offered a Christian, biblical and theological interpretation of the country's sociopolitical and economic crisis. The process of developing the document included consultations with the different church organizations in the country; however, some felt uncomfortable and withdrew their members from participating in drafting of the document. As a result, some church bodies disassociated themselves from the final document, which diminished its impact. The Swaziland Concerned Church Leaders has lost its momentum in recent years.

In 2015, there was an attempt by a broad civil society alliance (G15) to organize a meeting with King Mswati III. It had the support of the Commonwealth Special Envoy to Swaziland, former Malawian President Bakili Muluzi. The meeting was also supposed to discuss ways to increase the democratic participation of the population. This meeting has yet to take place, as the king still refuses to engage in a dialog and civil society has no means of compelling or forcing him to do so. However, it is worth noting that civil society lost an opportunity here, as a new leader is now at the helm of the Special Envoy to Swaziland for the Commonwealth.

Cleavage /
conflict
management



Civil society
participation



Unlike South Africa or Namibia, Eswatini was never the scene of a major humanitarian or genocidal crime in its history. While there is arguably a need for trauma healing and counseling on an individual, family and community level for the violence inherent to society, there may not be much need for this on a national level. There are, however, different schools of thought over whether or not the system of governance system has created “political enemies” (e.g., the state, progressive movements, political parties, civil society and the churches) that must convene and discuss their differences.

Reconciliation

n/a



17 | International Cooperation

There appears to be no roadmap for developing a long or even short-term strategy for the country’s international relations. Relations between the government and donor countries, excepting China, are strained. Nonetheless, Eswatini does receive support from the United States, primarily in the health sector (i.e., through PEPFAR) and from the EU (i.e., education, sugar cane farming, health and other programs in collaboration with the government). China and Taiwan also provide support to the government. While donor coordination does take place within Eswatini, donor funds are very rarely channeled through the state and the state rarely allocates these funds efficiently. All donors avoid providing budgetary support. The priorities set by the donors in coordination with the government are relevant but do not address the main issue, namely that the country is an absolute monarchy. Instead, they focus on issues of a non-political nature, like expanding the agricultural sector and feeding the large segment of the population that relies on food aid. The government is focused on economic growth but the small share of the kingdom and its heavily reliance on SACU revenue, makes it extremely difficult to engage in long-term planning, as revenues are volatile.

Effective use of support

4



While the Swazi government enjoys credibility in the region and does attract international development partners due to its abysmal human development indicators, few, if any, development partners provide budgetary support in Eswatini.

Credibility

4

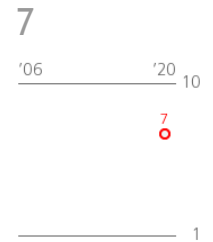


The Eswatini government’s credibility with regard to international funding is unstable and depends on the partner’s interests. Partners that are more concerned about good governance and the respect for human rights may find it difficult to support the government, except in areas of humanitarian aid. Some, like the EU and the United States, have established preconditions for their support in an attempt to force the government to comply with internationally accepted governance principles.

Eswatini enjoys productive relationships within the region, especially with its neighboring giant South Africa. While Eswatini remains hugely undemocratic, it is rare to hear any criticism voiced by the South African government or the ruling party the African National Congress. The kingdom has also signed most international treaties and is a member of SACU, SADC, COMESA, the AU and the UN. While the country's human rights abuses and undemocratic nature have allegedly been on the initial agenda of multiple SADC meetings with heads of state (the highest authority of the SADC), these issues have not actually been discussed and were removed from the agenda after an inquiry by King Mswati. Eswatini is also one of few countries that recognizes Taiwan as an independent country, which has resulted in Taiwan providing significant donor assistance and a relatively large embassy in the country.

As Eswatini is small by any standard, most other countries have very little interest in it, which means that violations of human rights can continue without much explicit criticism being waged. The SADC region must, however, be reminded of the critical role they can play in democratizing Eswatini.

Regional
cooperation



Strategic Outlook

The Kingdom of Eswatini's overarching obstacle to economic, political and developmental transformation is its democratic deficit – which affects all aspects of governance. The election held every five years does not provide the population with any meaningful mechanism to decide which development path they want to take. It is instead decided on by a small elite surrounding King Mswati III. The impact of absolute rule is felt in the priorities made in the national budget, the economic and social policies passed through parliament, the incentives fostered to attract sustainable investments and create jobs and, of course, ensuring people's basic rights.

The first step in any policy strategy, regardless of whether it is conducted by international or national actors, is to fully understand and take into account the consequences of this. A banal but concrete example of the absolute monarch's impact on governance is the appointment of 28 royal family members to various boards and committees, including the appointment of the king's oldest daughter to take on the office of minister of ICT. The constant blatant nepotism that is entrenched in the government's policy-making prioritizes the luxury of one family over the vast majority of the population. Instead of being applied to measures intended to facilitate the betterment of the population, public funds are spent on vanity projects: the new airport, the new international conference center with accompanying accommodation facilities and an excessive science and technology park. But the two perhaps most dire items of expenditure is the 5.9% of the national budget spent on the national defense – despite the fact that Eswatini does not have any external or domestic threats, and the lack of transparency of how much of an economic burden the royal family really is.

In a national setting, this means the monarchy must be completely divested of governance responsibilities, for example, by implementing a constitutional monarchy like those seen in northern Europe. The implications of such a policy change are of course huge and to a large extent beyond simple calculations, but it would be necessary to begin with the drafting of a new constitution that would secure people's basic rights and a separation of state powers. As mentioned in various sections of this report, the business investment needed to create the jobs that could pull people out of poverty, is unlikely to arrive as a result of the political climate. Building a stronger national business environment is also unlikely given the current political state of affairs. The need for a fundamental political change in the small kingdom will become painstakingly clear if SACU revenues continue to decrease (as is forecasted) or if South Africa finally decides to alter the distribution formula, which has under discussion for years.

These issues have implications for international actors' policy strategy. For the region, it is doubtful that political turmoil in the small country of 1.2 million people will have much of a destabilizing impact, especially compared to the turbulent years faced by Zimbabwe. For the major donors (USAID and the EU), who have been financing key sectors in Eswatini, the health sector and the educational sector, and to some extent the agricultural sector, it means that they have to be extremely precise in their assistance as to not implicitly hold their hands under an absolute

monarch in the name of development while not forcing democratic reforms that are not rooted within the Swazi.

If such changes are not made, it will be impossible to pull most of the population out of poverty, and the kingdom will look more or less the same in the next five to 10 years. If the SACU revenue continues to decline, and another source of revenue is not found, the government will be increasingly hollowed out. There are two main industries that could contribute significantly to the required economic growth: agriculture and textiles. The sugar industry has potential – if the government were to invest in it and prove successful with their irrigation projects. The textile industry has been able to expand now that Eswatini is once again included in AGOA.