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by: Ian Phimister

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INDUSTRIALISATION IN THE PERIPHERY: SOUTHERN RHODESIAN AND SOUTH AFRICAN TRADE RELATIONS BETWEEN THE WARS

The aim and policy of the ... Government have
been to do nothing to affect the cost of living
(Minister of Finance and Commerce, 19 April 1937)

Over the last two decades the process of industrialisation in Africa has generated considerable scholarly interest and debate. While much of the interest flows from industry's acknowledged potential as 'the main lever of African development',[1] most of the debate concerns the reasons for its generally poor performance. Broadly speaking, opinion is divided between those writers who emphasize the 'major external constraints limiting industrialization', and others who analyse industrialisation in terms of 'internal forces [which] help or hinder it'.[2] To date, these issues have been most exhaustively explored in the 'Kenya Debate'.[3] By comparison, analysis of Zimbabwe's much larger industrial sector has lagged far behind. Although developments since 1965, particularly the role and significance of foreign capital, have been studied,[4] neither the origins nor the nature of Zimbabwean industrialisation have received much attention.[5] In seeking to open these topics for discussion, this paper argues that the growth of local secondary industry was crucially conditioned by the interwar pattern of Southern Rhodesia's trade relations with South Africa.

I

Although secondary industry in Southern Rhodesia only expanded substantially once imperialism was convulsed by crisis during the Depression and the Second World War, its roots stretched back to the 1890s and the First World War. During a short-lived mining boom between 1894 and early 1896 several foundry and engineering concerns, among them Cunninghams of Salisbury and Issels and Son of Bulawayo, were established. They concentrated on repair work for the mining industry but in some cases developed an iron and brass castings capacity in order to manufacture mine cyanide and water storage tanks. In addition Issels made and mended wagons.[6] However the frequently

fraudulent and speculative character of goldmining enterprise before the turn of the century determined that this market was small and unpredictable. As a result the number of light engineering firms hardly changed until reconstruction established the mining industry's viability. What little evidence there is indicates that these concerns were family ventures or partnerships.[7] Large-scale British and South African interests were content to leave such limited and uncertain pickings to local capital.

The growth of other secondary industries was only slightly less stunted. Consumer demand generated by Bulawayo and Salisbury's (Harare) slowly increasing populations was satisfied by coastal merchant houses, while the nearest export markets were hundreds, generally thousands, of miles away. Pioneer processing and packaging industries were consequently those who turned Southern Rhodesia's remoteness to advantage. Imports with high bulk to value ratios and whose prices were inflated by the cost of absorbing transport charges were the first to be challenged by local products. A brewery was started in Salisbury in 1899, but the highly lucrative business of slaking settler thirsts was soon swallowed up by outside capital. In 1910 it was taken over by South African Breweries Ltd.[8] Tobacco processing also attracted entrepreneurial interest. Visiting directors of the Chartered Company were petitioned in 1907 for special railway rates 'to encourage local industry ... As an example we would instance machinery for the manufacture of tobacco and cigarette tins and packing and raw material for their manufacture'.[9] Over the next few years small factories sprang up in Bulawayo and Umtali (Mutare), from where it was reported that the 'Manufacture of Egyptian cigarettes from imported tobacco is carried on with considerable success: on an average 10,000 cigarettes are turned out each week and a ready market found for them throughout Rhodesia'.[10] And following the expansion of capitalist agriculture in the first decade of this century creameries were established in Bulawayo and Gwelo (Gweru) in 1909 and 1913 respectively.[11]

When war broke out in Europe in 1914 the destruction of various international trading relationships and the interruption of others initiated a period of unprecedented opportunity for southern African secondary industries. Freed from overseas competition, they had

domestic and regional markets largely to themselves. So far as Southern Rhodesia was concerned, however, this often meant that British and other European goods were replaced by South African imports, as her own tiny industrial base could not expand far or fast enough to meet more than a fraction of market demands. But although large areas of the domestic market were beyond their immediate reach, local industrialists nonetheless broadened the scope of their activities. Between 1915 and 1918 fertiliser, bacon and vegetable oil factories began production. Maize grinding mills were built in Salisbury and Gwelo, saw mills were started and cattle dipping fluid was manufactured.[12] At the same time, foundry work became increasingly important as 'a great many of the orders in this connection, which in former years have been sent to the Rand are now being executed in Salisbury'.[13] Nor did import-substitution stop with the end of the war. Inflation in Europe, limited shipping space and the short supply of manufactured articles all combined to protect local industry in the immediate postwar period. The early 1920s witnessed continued industrial growth despite economic recession in 1921-2. New enterprises established in Salisbury alone included a leather works, another bacon factory and several biscuit factories. By 1922 the Colony could also produce breakfast cereals, soaps, candles and furniture.[14]

But with the return of 'normal' trading conditions to the capitalist world market, foreign competition once again intensified. Industrial expansion in the seond half of the decade was generally slow and uneven. For some Southern Rhodesian workshops the impact of competition was offset by increased demand due to the accelerating rate of proletarianisation and the greater monetisation of the African rural economy. More important still were new markets created by the development of the Copperbelt in Katanga (Shaba) and especially Northern Rhodesia (Zambia).[15] Household utensils 'of every description' were manufactured for domestic consumption and 'windmills, pumps, pipes, steel tobacco flues, boilers, ... sands and slimes plants, smoke stacks, steel ladders, twist drills and fan blowers' were made for Central African farms and mines.[16] Such experiences were exceptional, however. Most local industries typically struggled to make ends meet as the process of import-substitution ran up against barriers fixed by international competition and reinforced by consumer

resistance to local products.[17]

Although manufacturing contributed about 13 percent of Southern Rhodesia's estimated £12 million gross national income in 1926,[18] industrialists realised that further progress depended on tariff protection of the kind enjoyed by their counterparts in South Africa. 'The Union Government have, for a number of years, encouraged secondary industries in every shape and form', declared the Rhodesia Manufacturers' Association, 'and we in this country ... have not a chance unless we are similarly protected'.[19]

II

Up until that point Southern Rhodesian tariff policy had been strongly opposed to protection of any sort. It was designed to raise revenue and promote the export of primary products. As Britain and South Africa were by far her most important trading partners, these principles were embodied in successive customs agreements negotiated with the Cape Colony in 1899 and with South Africa after 1910. While both countries agreed to the free interchange of their products under the umbrella of the South Africa tariff, Southern Rhodesia reserved the right 'to suspend the duties upon certain necessaries, and to grant greater preference to British goods under the clause of the [1898] Order-in-Council, generally known as the "Rhodes Clause"'.[20] As compensation for customs duty surrendered under South African tariff regulations, Southern Rhodesia received a commuted payment from the Union Government. By 1920 this amounted to £125 000 p.a.[21] Because of the Rhodes Clause it was less than Southern Rhodesia would otherwise have received, but her attachment to the cause of imperial preference was unshakeable. It reaffirmed settler loyalty to the British Empire and symbolised autonomy in relation to South Africa. And by keeping the cost of living down, empire preference helped primary producers.

In one form or another this trading arrangement endured for over 20 years. After 1918, however, points of friction multiplied and in December 1922 South Africa gave notice of its impending withdrawal from the customs agreement then in operation. The main reason for South African discomfort with the existing situation was the rapid

growth of Southern Rhodesian agriculture since the war. Under pressure from farmers threatened with bankruptcy by the free entry of Rhodesian cattle and tobacco exports, the South African government embargoed Southern Rhodesian cattle weighing less than 800 lbs. This action, taken shortly before the start of negotiations in 1924 for a new customs agreement, was the first of several such steps. At the conference itself South Africa wanted to raise the weight limit to 1200 lbs. When the horrified Southern Rhodesian delegation protested that this would have the practical effect of keeping out all their cattle,[22] the South African representatives grudgingly lowered the embargo level to 1050 lbs. They insisted, though, on excluding the lower grades of Rhodesian tobacco from South Africa's markets, even as they pressed Southern Rhodesia to import South African manufactured articles at the lowest rate of duty. Convinced that the Colony's 'present condition'[23] precluded protection from serious consideration and relieved that South African markets had not been completely closed, the Southern Rhodesian Government unhesitatingly sacrificed the interests of its own industrialists on the altar of principled expediency. 'The only alternative', privately concluded the Colony's Treasurer, 'was to break away altogether and the effect of that would have been an absolute embargo, less favourable railway rates (a matter of importance in the export of cattle and meat), a hostile neighbour, and some increase in the cost of living'.[24]

In making the best of a bad agreement, Rhodesian policy-makers all assumed that southern Africa would continue to export primary products and import manufactured goods much as before. They took it for granted that South Africa's customs tariff would be used in the old way to raise revenue and facilitate trade between adjacent colonies and with Britain. Neither assumption survived for very long.

In 1925 the South African Government passed a Tariff Act which served notice of its determination to transform South Africa's dependent role in the world economy by fostering the development of secondary industry.[25] Because the Act encouraged 'the use of South African primary products in the production of manufactured goods', it 'implicitly placed ... South African producers ... at odds ... [with] suppliers in the surrounding territories',[26] thereby undercutting what was left of regional free trade. The Tariff Act

also had a negative impact on Southern Rhodesian customs revenue. As South Africa reduced tariffs on materials imported for use in her secondary industries, so more and more goods qualified for entry into Southern Rhodesia on payment of the lowest rate of duty. Local merchants were particularly disturbed by 'alterations in the Union tariff ... to a point below duties payable in this country by direct importers', as goods 'sent up from the Union ... [could] complete with goods imported direct into this country from overseas'.[27] Their xenophobic customers who compensated for 'driving American motor cars by putting a little British Union Jack on top of the radiator'[28] were even more upset when the trade pact signed between South Africa and Germany in 1928 opened up the prospect of German imports entering Southern Rhodesia 'on the same terms, or possibly better terms, than British goods'.[29] South African policy, so the Legislative Assembly was told, 'is inimical to the interests of the people of this Colony, whether they were producers, traders, consumers, or the Treasury itself'.[30]

All of these reasons persuaded the Southern Rhodesian Government that a new agreement would have to be negotiated with South Africa. But when the two sides met in Pretoria in September 1929, the Southern Rhodesians found that by re-opening the tariff question they had presented South Africa with an opportunity to raise its demands not lower them. Moffat's negotiators were bluntly told that South Africa intended to halve the existing market for Rhodesian tobacco by imposing an import quota of 2 400 000 lbs. p.a. They were further informed that South Africa insisted on the free entry of the greater part of its own agricultural produce and manufactured goods into Southern Rhodesia. Rhodesian counter-proposals were brushed aside and the conference collapsed. 'Having taken away half of our tobacco market', complained the Southern Rhodesian Minister of Finance, South Africa acted as if 'we should make compensation to them for what was left to us ... It was like two men who had a difference, and the bigger man gave the smaller man a hiding, and said, "I might have given you a bigger hiding, but, not having done it, you can give me some compensation"'.[31]

The breakdown of negotiations with South Africa presented local industrialists with an unprecedented opportunity. 'Rhodesians

are not in the least dismayed', declared the Premier. 'We are prepared to carry on without the least fear or hesitation in the future under the altered circumstances'.[32] And prominent amongst the changed circumstances was the possibility of protection for Southern Rhodesian secondary industries. Speculation that this was in the offing reached fever-pitch when the Treasurer publicly announced that the Government had received 'enquiries from several manufacturers in the Union with the idea of opening up branches in this country. We hope that will be one of the beneficial results of this separation: that factories will start ... [here], and they will have the benefit of protection, whatever protection is needed, of the duties payable on South African manufactures'. 'That must help to create a larger market and widen the scope of employment, and there will be other benefits', he added.[33]

But the business community barely had time to savour the implications of the Government's volte face before the state turned about again. The Northern Rhodesian Administration which had previously stood firm with Southern Rhodesia against South Africa suddenly broke ranks and resumed contact with Pretoria. Close economic ties with South Africa were considered essential for the Copperbelt as it fought its way onto the world market.[34] Alarmed at the prospect of the 'Union offering very substantial preferences to the people in the north in order ... to capture the trade which has been carried on by this country',[35] and chastened by Wall Street's recent collapse, Southern Rhodesia reopened talks with her powerful southern neighbour in January 1930. With South Africa holding virtually every important card, the negotiations were speedily concluded. Most South African manufactured articles were allowed across the Limpopo subject only to a six percent payment in lieu of duty. By contrast the southwards movement of Rhodesian cattle and tobacco was severely restricted. All that Southern Rhodesia managed to salvage was the right to frame its own tariffs, thereby securing a greater degree of control over imports.[36] 'I consider that it [the Agreement] is a measure of expediency on account of the world slump', commented Godfrey Huggins. 'It is an agreement which ... can be terminated at the right moment. That right moment will be when cause is given us and we have put our house in order and arranged for other outlets for our primary products'.[37]

III

Some members of the Southern Rhodesian Legislative Assembly found it hard to wait that long. In November 1931 they called for the termination of the Customs Agreement on the grounds that the 'one thing late events [the Depression] have demonstrated is that it is essential in any country, if it is going to provide for its population, that the natural resources of the country should, where feasible, be turned into a manufactured state ... [and] so long as the agreement subsists between ourselves and the Union of South Africa, that is not possible in Rhodesia'.[38] But however much the Depression emphasised the extreme vulnerability of primary producers to adverse shifts in world demand, this was more than counterbalanced by the boost which it gave to the Colony's gold mining industry. The counter-cyclical advance of gold enormously strengthened Free Trade interests opposed to protective tariff measures which might raise production costs. Nor did commerce have any reason to embrace Protection, while capitalist agriculture was positively hostile towards the idea. Reeling under successive blows delivered by the tobacco debacle of 1928 and the Great Depression, organised agriculture clung desperately to what was left of its South African market. A commission of enquiry into the working of the Customs Agreement accordingly advised against its termination.[39]

Southern Rhodesian manufacturers were anyway enjoying a period of remarkable growth. Between 1932 and 1938 the value added of secondary industries increased threefold, while the sector's annual rate of expansion over the whole period 1929-38 was 7.5 percent, even higher than mining at 7.2 percent.[40] This phenomenon was mostly due to the buoyancy of the internal market supported by gold mines. It also owed much to the quickened pace of African proletarianisation and commodity production during the 1930s. To some extent as well it rested on a process of import-substitution. When the British pound was devalued in 1931, South Africa decline to follow suit. As a result her currency appreciated against sterling. South African exports became more expensive and less competitive. North of the Limpopo this meant that 'Union exports ... are in effect subjected to a disability or tax of 20%'.[41] Protection of such magnitude

had wide-ranging consequences. Local industrialists rushed to take advantage of the new situation, even as it also compelled several South African companies to establish subsidiaries in Southern Rhodesia.[42] At the same time industry's identity and agenda was systematically distinguished from that of commerce. Manufacturing's distinctive interests were championed in the pages of New Rhodesia where it was argued that Southern Rhodesia's past development had 'been conditioned entirely by our economic subservience ... to the outer world ... Now a great change is upon us. Not we ourselves, but world conditions, have broken that tutelage'.[43] Manufactured exports to Northern Rhodesia picked up, and by 1933 Southern Rhodesian factories made

> butter and cheese, maize meal and wheaten flour, soap and candles, bacon and hams, squashes and minerals /soft drinks/, sweets, paints, malt liquors, tobacco, cement and tiles. Smaller industries produce/d/ furniture, stationery, biscuits, clothing for the native trade, fertilisers, jams, polishes etc.[44]

The breathing-space fortuitously accorded Southern Rhodesian secondary industry by South Africa's prickly national pride lasted for little more than a year. Early in 1933 South Africa finally abandoned the gold standard. Although some local industries, notably soap, furniture and stationery concerns, managed to hold on to their customers, many others suffered keenly as their larger South African competitors clawed their way back into the Colony's market. In the first nine months of 1934 Southern Rhodesia imported more from South Africa than in the whole of 1932.[45] 'Under existing conditions', complained the Salisbury Chamber of Industries, 'Rhodesian manufacturers are finding it extremely difficult and, in most cases, quite impossible for them to compete with established industries in the Union'. The Government, concluded the Chamber, should 'give notice to terminate the Customs Agreement ... with a view to obtaining an Agreement which will afford adequate protection to Rhodesia's Secondary Industries, failing which arrangements /must/ be immediately made to control our own Customs'.[46]

Without support from other sectors of the economy, industry's representations might well have gone unheeded even by so sympathetic an administration as the newly elected Reform government.[47] But by the start of 1934 organised commerce and agriculture were far

less enamoured of the existing customs agreement than they had been two years previously. Ties between Rhodesian and South African merchant houses, already somewhat attenuated because of Southern Rhodesian attachment to Imperial Preference, were further loosened during the gold standard crisis. Noting that local retailers were 'steadily increasing their direct importations from overseas, and are relying less and less upon the Union except to satisfy urgent requirements'[48] the Associated Chambers of Commerce particularly objected to the open stocks section of the Agreement which permitted South African merchants to send imported materials to Southern Rhodesia while only paying the low tariff applicable to South African goods.[49]

Sentiment had also hardened in sections of the agricultural industry. Those farmers not already angered by the 'unjust and unreasonable' decline in value of tobacco exports to the south from c.£120 000 in 1930 to £74 000 in 1933,[50] were infuriated by South Africa's cynical manipulation of Foot and Mouth quarantine regulations to exclude their produce from her markets. From the moment that Foot and Mouth appeared in 1931 'the import of almost all pastoral and agricultural products into the Union from Southern Rhodesia was totally prohibited and the prohibition was extended to the transport of any of the scheduled products through Union territory for export overseas'. This total prohibition was probably justifiable at the time, observed an official report,

> but Southern Rhodesian opinion is that it should have been modified as soon as the extent and severity of the outbreak had been determined, and that the continuance for a prolonged period of total prohibition on the products of districts situated in some cases hundreds of miles from any known centre of infection was unreasonable... Even now, nearly four years after the original outbreak of the disease, trade is seriously hampered. For example, the Southern Rhodesian Veterinary Department have scheduled huge, and in their opinion ample areas round every centre in which infection is known to exist, in which movement of cattle is prohibited, but the Union Authorities have extended the area from which import is prohibited to a distance of 50 miles around the areas so scheduled. The Rhodesian farming community have become convinced by the

> experience of the past four years that the Union Authorities are using veterinary reasons as a cloak for restricting import[s] from Rhodesia in the interests of the Union producer.[51]

Satisfied that it had the backing not merely of a vociferous handful of industrialists but also of most white farmers and merchants, the Southern Rhodesian Government duly terminated its customs agreement with South Africa. After several delays caused by protracted political realignments in both countries, trade discussions eventually began in Cape Town at the end of January 1935. Despite their initial prominence, however, the interests of secondary industry received scant consideration. Indeed, following the disintegration of the Reform Party in the course of 1934 they were expressly subordinated to mining and, to a lesser extent, agricultural concerns. While the Rhodesia Chamber of Mines conceded that the customs agreement should be amended to secure 'a more equitable arrangement than at present exists', it bluntly warned against the 'creation of tariff barriers ... [as they] would be extremely detrimental to the Mining Industry ... [which] obtains important supplies from the Union ... [Tariffs] would tend to increase landed prices and result in increased costs of production'.[52] And as the moment of renegotiation drew near, spokesmen for the agricultural industry sounded an increasingly conciliatory note. 'Our agricultural industry depends to a very great extent, anyway at the present time, on the Union markets', cautioned the Minister of Agriculture. 'However we look at a new Customs agreement ... it is of first importance that our agricultural export be continued. If by any new agreement we lose these markets, it would have a very bad effect on the agricultural iandustry of this country generally'.[53]

Led by Huggins himself, the Southern Rhodesian delegation pressed hard for the best market for their primary products. Ideally, 'the Union [should] ... give Rhodesia an unrestricted market for tobacco and cattle, thus re-establishing the principle of free trade between the two Territories'.[54] The South African response was nasty, brutish and short. Not only was there no question of the market being expanded but existing concessions were to be withdrawn. The tobacco quota was revised downwards and the cattle trade, already subject to a weight embargo, was restricted to a maximum of 5 200 head per

annum. Exports to South Africa of Southern Rhodesian wheat, flour, meal and bran, maize and maize products, eggs, butter, cheese, potatoes, groundnuts and vegetable oils were banned except by special permits issued from boards of control.[55] Nor were the Southern Rhodesians given much leeway in the matter of imports. South Africa unblushingly bludgeoned her smaller neighbour into accepting the freest possible entry of her own products. Although these became liable for customs duty for the first time, they were to be admitted into Southern Rhodesia 'at the rates of duty applicable to similar products of the United Kingdom subject in general to a further 20% preferential rebate'.[56]

'We ... [were] not in a position to quarrel with the Union authorities ... [as] it was ... essential to maintain to the fullest extent the goodwill of the Government of the Union and the Union people in regard to ourselves', explained the Minister of Finance.[57] Economically and geographically, South Africa was 'very powerful in its relationship to Southern Rhodesia ... and ... could ... put the screw on us in more ways than those in which we could retaliate even in spite of the fact that we buy from them substantially more than they buy from us'.[58] For example the profitability of Southern Rhodesia's overseas exports partly depended on special low freight rates charged by South African Railways. There were other considerations too: 'the Union provide us without charge with a Court of Appeal - their Universities, which are heavily subsidised by the Government, are open to our students ... our Civil Servants enjoy concession privileges on the Union Railways, and in other matters the Union Government has generally been ready to assist us in case of need'.[59] These constraints obliged Southern Rhodesia to be 'more liberal than if it were an ordinary trade agreement between two countries far distant from each other.'[60]

IV

For Southern Rhodesia's hardpressed domestic bourgeoisie it seemed that the only way of loosening South Africa's grip on the economy was to make the most of their new freedom to collect customs duty. If South African purchases of Rhodesian beef and cattle continued to fall, then Southern Rhodesia would have to look to other markets to take a growing proportion of her exports. Preferential trading arrangements along the lines of those established at the Ottawa

Conference on Empire trade in 1932 held the most promise of improving Southern Rhodesia's international bargaining position.[61] The Customs and Excise Tariff Act of 1937 accordingly inaugurated a three-column tariff, ranging from the most favourable one applied to Britain, Southern Rhodesia's best customer, through an intermediate category to least favoured status. As the whole point of the Act was to enhance Southern Rhodesia's capacity to define and provide an internal market in return for overseas acceptance of her exports, local secondary industries received no protection beyond the standard duties and rebates levied on imports.[62]

Although this protection was little enough, it was nonetheless greater than anything which had previously applied to manufactured imports from South Africa. Southern Rhodesian industrialists consequently exploited opportunities created on the margin of Imperial Preference. They were soon joined by others. Worried South African factory owners calculated that where the increased price of their products 'due to the new duties' was 'equal, or nearly equal, to that of similar United Kingdom products, preference is almost sure to be given to the latter ... [because of] the well-known sentimental partiality which Rhodesians have for British products'.[63] Several solved the problem by setting up branch factories beyond the Limpopo. The combined result was a marked upsurge in industrial expansion. Whereas only one new factory opened its gates in Bulawayo in 1936, eight did so in the two years that followed.[64]

Over the same period the state's attitude towards secondary industry became decidedly less antipathetic. In the first place, the close ties between the Huggins administration and domestic agricultural and mining capital imparted a certain ambiguity to its relationship with imperialism. On the one hand they inclined the Government towards Free Trade in general and Imperial Preference in particular in order to keep costs of production down and export markets open. On the other they involved the state in a series of tactical interventions which favoured domestic interests over those of international capital.[65] At a time when the impact of the Great Depression had thrown doubt on the wisdom of relying exclusively on primary products, this ambiguity intersected nicely with the interests of secondary industry at the point of state support for those industries which processed

raw materials. 'If we look at the development of secondary industries in the Union today', said the Minister of Finance and Commerce, 'we see that not only do they, in many instances, supply the requirements of the Union itself, but that they have developed to such an extent that the raw material is now going overseas in a much more condensed form ... giving a much greater return to the producer ... And that is what we have to aim at in Rhodesia'.[66]

The second reason for the Government's altered stance was the looming threat of war in Europe. As the international climate worsened, former assumptions of comparative advantage could no longer be taken for granted. Whereas the state had previously stolidly declined to have anything to do with the backers of the Rhodesian Iron and Steel Corporation,[67] it quickly reversed course after the Sudeten crisis of September 1938. Faced with the prospect of the steel works' closure because of sales of large quantities of scrap metal to Northern Rhodesia and South Africa by independent dealers, the Government prohibited all such traffic in order to safeguard the factory's supply of raw material. This action was necessary, the Legislative Assembly was told, because the export of scrap iron and steel 'might eventually ... be against the interests of this country ... in the case of war. Besides the importance of the local industry, it might be impossible for us to import steel products except under great difficulties, and therefore a supply of scrap iron in this country might assist the industry in meeting the needs of the primary industries'.[68]

But beyond this point the state refused to go. None of the shifts in official thinking about secondary industry involved a fundamental re-evaluation of its relationship to the state or other sectors of the economy. Although the Government was happy enough to associate itself with secondary industry's successes, its practical support was restricted to ad hoc measures of the kind applied to the iron and steel industry. Thus in July 1939, not long after the Minister of Finance had congratulated the Colony's factories on producing goods worth some £4 million during 1938, a committee of enquiry from which the Government had pointedly excluded industrialists, firmly advised against an active policy encouraging secondary industrialisation. Private enterprise, concluded the committee, 'could

safely be left, without direct Government assistance, to develop worthwhile industries as opportunity occurred, and that it was unnecessary, if not undesirable, for the Government to devote funds to hastening such development'.[69] And despite the fact that Southern Rhodesia had no textile industry and practically no capital goods sector, the state agreed 'with at least 95 percent of ... [the committee's] findings'.[70]

V

As an economy peripheral to the South African one, itself 'peripheral to the main centres of capital accumulation',[71] Southern Rhodesia in the 1920s exported a limited range of primary products and imported virtually all the manufactured articles which it needed. The Southern Rhodesian Government was reluctant to do anything which might add to the production costs of mining and agriculture. But once South Africa embarked on a policy of industrialisation behind tariff barriers which also excluded the greater part of her neighbours' primary exports, Southern Rhodesia was obliged to take defensive action. Initially, her defense did not encompass local industrialisation; rather it involved the definition of a domestic market for imports of manufactured goods from those overseas countries, primarily Britain, who in turn provided a market for Southern Rhodesian primary exports. This process, however, resulted in some protection for local industries against their South African rivals. Southern Rhodesian industry grew in the narrow space between regional sub-imperialism and imperialism on a world scale. It was this space which local industrialists successfully expanded in subsequent years, especially once international competition had been throttled by world war.

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FOOTNOTES:

1. A F Ewing, Industry in Africa (London, 1968), xiii.
2. M Fransman (ed), Industry and Accumulation in Africa (London, 1982), 2.
3. For the most recent review of the literature, see G Kitching, 'Politics, method, and evidence in the "Kenya Debate"', in H Bernstein and B Campbell (eds), Contradictions of Accumulation in Africa (London, 1985).
4. See, for example, D Clarke, Foreign Companies and International Investment in Zimbabwe (Gwelo, 1980); and C Stoneman, 'Foreign capital and the prospects for Zimbabwe', World Development, 1976, 4, 1.
5. Partial exceptions to this rule are G Arrighi, 'Peripheralization of Southern Africa, I: changes in production processes', Review, 1979, 3, 2; and G Clarence-Smith, 'The effects of the Great Depression on industrialization in Equatorial and Central Africa', unpub., 1985.
6. A Macmillan (ed), Rhodesia and Eastern Africa (London, 1931), 157, 272-3.
7. Ibid, 135-7, 259-60; New Rhodesia 15 Sept 1933; S246/182, Managing Director, Hogarths Metal Works Ltd, to Minister of Internal Affairs, 4 Sept 1935. All manuscript and file references are to the National Archives, Zimbabwe.
8. A8/1/6, Civil Commissioner, Salisbury, report for year ending 31 Dec 1910.
9. Rhodesia Herald, 18 Oct 1907.
10. A8/1/4, Civil Commissioner, Umtali, report for year 1908.
11. A8/1/5, Civil Commissioner, Bulawayo, report for year ending 31 Dec 1909; Report of the Director of Agriculture for the year ending 31 Dec 1912, 6.
12. Report of the Director of Agriculture for the year 1915, 2-3; A8/1/7, Civil Commissioner, Salisbury, report for year ending 31 Dec 1917; Report of the Director of Agriculture for the year 1918, 1.
13. A8/1/7, Civil Commissioner, Salisbury, report for year ending 31 Dec 1915.
14. A8/1/8, Civil Commissioner Salisbury, report for year ending 31 Dec 1922.

15. See, for example, ZAM 2/1/1, Customs Tariff Committee, evidence of Rhodesia Manufacturers' Association, 27 Dec 1929.
16. Macmillan, Rhodesia and Eastern Africa, 316, 259-60.
17. A8/1/8, Civil Commissioner, Salisbury, report for year ending 31 Dec 1922. See also Southern Rhodesia Legislative Assembly Debates, 15 Apr 1930, col 968.
18. C Thompson and H Woodruff, Economic Development in Rhodesia and Nyasaland (London, 1954), 11.
19. ZAM 2/1/1, Customs Tariff Committee.
20. S912, 'Trade Relations with the Union of South Africa', 1933. See also R L Cole, 'The tariff policy of Rhodesia, 1899-1963', Rhodesian Journal of Economics, 1968, 2; and J Meekin, 'The effects of the "Rhodes clause" on customs tariffs', unpub., 1978.
21. Southern Rhodesia Legislative Assembly Debates, 25 Nov 1924, col 6.
22. H.Mss. NE 1/1/5, Fynn to Newton, 27 Oct 1924.
23. Southern Rhodesia Legislative Assembly Debates, 25 Nov 1924, col 58.
24. H.Mss. NE 1/1/5. See also H.Mss. MO 13/1/1, Downie to Moffat, 5 Oct 1924.
25. W Martin, 'South Africa First: the re-formation of external trade and market relations, 1924-1933', unpub. 1984, 45.
26. Ibid, 45-6.
27. Southern Rhodesia Legislative Assembly Debates, 2 May 1929, col 260.
28. Rand Daily Mail, 9 Nov 1929.
29. Southern Rhodesia Legislative Assembly Debates, 2 May 1929, col 261.
30. Ibid, 15 May 1929, col 776.
31. Paragraph, including direct quotation, based on The Countryside, Oct 1929. See also Rand Daily Mail, 27 and 28 Sept 1929.
32. Southern Rhodesia Legislative Assembly Debates, 28 Mar 1930, col 365.
33. The Countryside, Oct 1929.
34. For full discussion, see A Kanduza, The Political Economy of Underdevelopment in Northern Rhodesia, 1918-1960 (Lanham, 1986), 59-60.
35. Southern Rhodesia Legislative Assembly Debates, 31 Mar 1930, col 385. See also H.Mss LE 3/1/1, Colonial Secretary to The Honourable the Premier, 11 Jan 1930.

36. Southern Rhodesia Legislative Assembly Debates, 24 Mar 1930, cols 156-8; Martin, 'South Africa First', 59.
37. Southern Rhodesia Legislative Assembly Debates, 25 Mar 1930, col 231.
38. Ibid, 14 Nov 1931, col 336.
39. S679/15/9, Report of the Commission appointed by Treasury Minute No.T24726 of the 20th November, 1931 to examine the Customs Agreement, 15 Dec 1931.
40. Arrighi, 'The Development of Capitalism in Rhodesia', unpub., n.d., 216.
41. S679/15/1, Controller of Customs to Secretary to the Treasury, 20 Jan 1932.
42. Industrial and Commercial South Africa, Feb 1933, Mar 1934.
43. New Rhodesia, 27 Aug 1932.
44. Southern Rhodesia Legislative Assembly Debates, 1 May 1933, col 755; Industrial and Commercial South Africa, Mar 1934.
45. Rhodesia Herald, 7 Dec 1934; S1215/1060/7, 'The Customs Agreement between the Governments of the Union of South Africa and Southern Rhodesia', n.d. /1934/.
46. S679/15/4, President, Salisbury Chamber of Industries to the Secretary, The Minister of Finance, 9 Nov 1933.
47. Phimister, 'Zimbabwe: the path of capitalist development', in D Birmingham and P Martin (eds), History of Central Africa (London, 1983), vol 2, 275.
48. Industrial and Commercial South Africa Mar 1934.
49. S679/15/8, Associated Chambers of Commerce of Southern Rhodesia, to Minister of Commerce, Transport and Public Works, 10 Oct 1933; and attached memorandum.
50. S1215/1060/7, 'The Customs Agreement'.
51. Ibid. See also S679/15/4, Minister of Agriculture to Minister of Finance and Commerce, 4 Dec 1934: 'Although Great Britain is prepared to accept our Veterinary certificate that there is no danger in our beef carrying Foot and Mouth disease, yet the Union Government is not prepared to accept that certificate for beef to pass through their country in sealed trucks. We have to accept the conditions laid down by the Union authorities, although their Vets will admit privately that there is no veterinary reason for it'.
52. S679/15/4, Secretary, Rhodesia Chamber of Mines to Hon. J Smit [Minister of Finance], 21 Jan 1935.

53. Ibid, Minister of Agriculture to Minister of Finance and Commerce, 4 Dec 1934.
54. Ibid, 'Notes of Meeting held in the Council Chamber City Hall, Cape Town, on 28th January 1935 at 11 a.m.'.
55. S881/59, 'Synopsis of an Agreement made between Southern Rhodesia and the Union of South Africa', 11 Mar 1935; The Countryside, Feb 1935. This latter prohibition also applied to similar South African exports to Southern Rhodesia. In practice it only affected Rhodesia.
56. S881/59, 'Synopsis of an Agreement'.
57. Southern Rhodesia Legislative Assembly Debates, 29 Apr 1935, col 1352.
58. S679/15/4, C Dryden-Pritchard to The Hon. G M Huggins, The Prime Minister, n.d; Cape Times, 19 Feb 1935.
59. S1215/1060/7, Minister without Portfolio to Minister of Agriculture and Lands, 5 Dec 1934.
60. Southern Rhodesia Legislative Assembly Debates, 29 Apr 1935, cols 1352-3.
61. Ottawa Conference: Report of the Committee appointed to investigate and report to the Government on certain matters relating to the natural resources and industries of Southern Rhodesia, their present position and future prospects, and their relation to Empire and world trade, 1933.
62. Southern Rhodesia Legislative Assembly Debates, 19 Apr 1937, col 1505.
63. Industrial and Commercial South Africa, Mar 1935.
64. S103(59), Bulawayo Chamber of Industries, Minute in Reply to Report of the Economic Development Committee, 1939, 8 Feb 1940.
65. Phimister, 'Zimbabwe: the path of capitalist development', 277.
66. Southern Rhodesia Legislative Assembly Debates, 27 Apr 1938, col 219.
67. Ibid, 2 Apr 1937, col 838.
68. Ibid, 28 Oct 1938, col 2432.
69. Report of the Economic Development Committee, 1939, 38-40. See also S679/116/22, President, Salisbury Chamber of Industries, to The Hon. the Minister of Finance and Commerce, 14 May 1938; and New Rhodesia, 13 May 1938.
70. S679/116/22, Smit to Downie /Chairman, Economic Development Committee/, 21 July 1939.
71. Stoneman, 'Foreign capital and the reconstruction of Zimbabwe', Review of African Political Economy, 1978, 11, 62.

UNIVERSITY OF THE WITWATERSRAND

A F R I C A N S T U D I E S I N S T I T U T E

Provisional Programme
July - August 1986

Venue and Time

Unless otherwise specified the seminars will be held on Mondays at 4.00 pm in the Richard Ward Building, Room 319.

Date	Speaker and Title
28 July	Ian Phimister Industrialisation in the Periphery: Southern Rhodesian and South African Trade Relations between the Wars
04 August	Shula Marks Patriotism, Patriarchy and Purity: Natal and the Politics of Zulu Ethnic Consciousness
11 August	L. Pretorius Explanations of Poverty / Legitimation of the Racial Order: The Holloway, Wilcocks, Tomlinson and Theron Commissions
18 August	Martin Trump Black South African Short Fiction in English since 1976
25 August	Veit Erlmann A Feeling of Prejudice: Orpheus McAdoo and the Virginia Jubilee Singers in South Africa, 1890 - 1898

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