

COLONIAL ZIMBABWE'S TOBACCO INDUSTRY: GLOBAL, REGIONAL AND
LOCAL RELATIONS, 1947-1979

SIBANENGI NCUBE

SUBMITTED IN FULFILMENT OF THE REQUIREMENTS OF THE DOCTORAL
DEGREE QUALIFICATION IN AFRICA STUDIES IN THE CENTRE FOR AFRICA
STUDIES, FACULTY OF HUMANITIES, UNIVERSITY OF THE FREE STATE,
BLOEMFONTEIN

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NOVEMBER 2018

DECLARATION

I declare that this dissertation is my own independent work and has not been previously submitted by me at another university or institution for any degree, diploma, or other qualification. I furthermore cede copyright of the dissertation in favour of the University of the Free State.

Signed: _____

Sibanengi Ncube

Bloemfontein

Dedication

For my brother, Posi, who watered the dream, and to the memory of my late parents –
Mtshiza Simon Masalethulini and Grace Sophia Mapiye – who unfortunately did not live
long enough to witness this achievement.

'It would be a foolish man who planned the future of Rhodesia, and who felt he could leave
... above all the European tobacco farmer ... out of his calculations.'

(F. Clements & E. Harben, *Leaf of Gold*, p.188)

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Abstract

The tobacco industry's centrality to colonial Zimbabwe's economic and social history is beyond contestation. Scholars converge in acknowledging that tobacco's profitability was the colony's key driver of socio-economic and political activities in the post-Second World War era. In addition to financing considerable capital developments, tobacco profits also generated foreign exchange necessary for the development of the colony's secondary industries. More so, the success of settler tobacco growers triggered increased European immigration into the colony. In turn, this caused increased displacement of Africans from 'white' and Crown lands, increased state intervention in African production methods and caused the expansion of the domestic market which stimulated the colony's fledgling manufacturing sector. Tobacco became the heartbeat of colonial Zimbabwe's socio-economic and political life. Against this background, this thesis examines colonial Zimbabwe's tobacco industry from 1947 to 1979, focusing on the shifting interplay of global, regional and local factors shaping the industry. By so doing, the study illuminates the extent to which the development of the local tobacco industry was influenced by the different contexts within which it operated, transcending the parochial emphasis on internal dynamics prevalent in existing literature on the subject. There are two contrasting tendencies dominating settler agriculture literature: an over-emphasis on the role of the state on one hand, and the over-glorification of market forces, and the celebration of the ingenuity of the white settler farmer, on the other. While the two approaches offer different analytic frameworks in the study of settler agriculture, they converge in their similar emphasis on internal dynamics. By contrast, this thesis adopts an analytical integration of local dynamics and post-Second World War imperial-colonial relations which illuminates and explains the shifts in the industry's fortunes during the period under review. By focusing on the local tobacco industry, and using predominantly archival sources from Zimbabwe and South Africa, this thesis makes a contribution to Zimbabwe's economic history from the end of the Second World War to the end of settler colonial rule in 1979.

Key words/Phrase: Colonial Zimbabwe, Tobacco Industry, Second World War, imperial-settler colonial relations, UDI, Liberation war, Sanctions.

Opsomming

Die tabak bedryf se sentraliteit in koloniale Zimbabwiese ekonomiese en sosiale geskiedenis is onbetwisbaar. Akademici stem ooreen dat tabak se winsgewendheid die kolonie se hoof dryfkrag van sosio-ekonomiese en politieke aktiwiteite in die post-Tweede Wêreld Oorlog-era was. Benewens die finansiering van aansienlike kapitaalontwikkelings, het tabakwinste ook buitelandse handel gegeneer wat nodig was vir die ontwikkeling van die kolonie sekondêre nywerhede. Hierby het die sukses van setlaar tabak produsente die Europese immigrasie in the kolonie veroorsaak. Op sy beurt het dit veroorsaak dat groter Afrikane van 'wit' en kroonlande gekom het, staatsinmenging in Afrika-produksiemetodes verhoog het en die uitbreiding van die binnelandse mark tot gevolg gehad het wat die kolonie se voortdurende vervaardigingsektor gestimuleer het. Tabak het die hartklop van koloniale Zimbabwe se sosio-ekonomiese en politieke lewe geraak. Teen hierdie agtergrond ondersoek hierdie tesis koloniale Zimbabwe se tabak bedryf van 1047 tot 1979 met die fokus op die verskuiwende wisselwerking van globale, streek en plaaslike faktore wat die bedryf gevorm het. Deur dit te doen verlig hierdie study die mate waartoe die ontwikkeling van die plaaslike tabak bedryf beïnvloed was deur die verskeie kontekste waarbinne dit gefunksioneer het. Hiermee gaan hierdie studie dan verder as die huidige literatuur oor die onderwerp wat 'n eng fokus op die interne dinamika het. Daar bestaan twee kontrakterende neigings wat die setlaar-landbou literatuur domineer: 'n oorbeklemtoning op die rol van die staat aan die kant, en 'n oor-verheerliking van markkragte, tesame met die viering van die vindingrykheid van die wit setlaar-boere aan die ander. Terwyl hierdie twee benaderings verskillende analitiese raamwerke in die studie van setlaar-landbou verskaf, oorvleuel hulle in soortgelyke klem op die interne dinamika. Hierin teen aanvaar hierdie tesis 'n analitiese integrasie van plaaslike dinamika en post-Tweede Wêreld Oorlog imperiale-koloniale verhoudings wat verskuiwings in die bedryf se fortuine tydens hierdie periode verlig en verduidelik. Deur te fokus op die plaaslike tabak bedryf, en om oorwegend argivale bronne van Zimbabwe en Suid-Afrika te gebruik, maak hierdie tesis 'n bydrae tot Zimbabwe se ekonomiese geskiedenis van die einde van die Tweede Wêreld Oorlog tot die einde van setlaar-koloniale bewind in 1979.

Sleutel terme: Koloniale Zimbabwe, Tabak Bedryf, Tweede Wêreld Oorlog, Imperiaal-Setlaar koloniale verhoudings, UDI (UVO), Bevrydingsoorlog, Sanksies.

Acknowledgements

The road to this PhD was long and winding, both literally and metaphorically. Literally, it meant crossing hills and streams bare-footed (my first pair of shoes was bought when I finished primary school and was preparing to go for secondary education) to get to Vambare School, which stood unrepaired from the scars of the liberation struggle, close to a decade after independence. Tracing the twists and turns of my academic journey may require a separate thesis. Suffice to say, it finally entailed crossing national borders – this time in the comfort of an airbus. It is natural that in the process of such a long and troubled journey I accumulated huge debts. Available space will not allow me to mention all whom I owe various debts by names.

One person who deserves special mention in the formative stages of my academic journey is my father Mtshiza Simon Masaletshini for affording me an opportunity to go to school. While many may take it for granted that it was his duty to do so, my case was special. He did not go to school himself, but still had the wisdom to appreciate the importance of affording me an education. Secondly, it was not unusual in our area for children to be forced to drop out after finishing primary school to become house maids in the case of girls, and mainly to cross to the farms of South Africa, in the case of boys. It would not be an exaggeration to say less than 50 percent of my primary school classmates proceeded to secondary school, and were it not for my father's vision, I could have added to the statistics. This thesis is for my father as it is for my primary school classmates who could not make it beyond Grade Seven for reasons unconnected to their intellectual capacities.

Secondly, I wish to acknowledge my brother Posi's important contribution to my secondary education. He generously and selflessly stretched his meagre salary as a Police Constable in the Zimbabwe Republic Police (ZRP) to cover my early secondary school fees, and was called upon again to augment the inadequate and erratic Advanced Level Government Merit Scholarship awarded for my High School requirements. Were it not for him, I would not have reached this stage in my academic life. To you I say this is for you *bhudhi*.

The second and most significant leg of my journey begins in the Economic History Department at the University of Zimbabwe. There I was to meet a fine breed of lecturers – Professor Alois Mlambo, Drs Victor Machingaidze, Joseph Mtisi, Pius Nyambara, and the late Mr. Government Phiri – who moulded me into the academic animal that I am. On the other hand, my ideological outlook was a result of my interaction with the affable Cde Munyaradzi Gwisai who introduced me to radical literature on the Iranian revolution, the fall of Salvador

Allende and General Suharto in Chile and Indonesia respectively, as well as other works by revolutionary authors such as Lenin, Rosa Luxembourg, and Callinicos among others.

The International Studies Group (ISG) under the leadership of the iconic Professor Ian Phimister, whose works I was introduced to in the first year of my undergraduate studies, was my final destination in this journey. Words fail me in describing how the ISG became ‘home away from home’ to me, both socially and academically. From the day I was received from the airport to the day I completed this thesis, the treatment I received was just super for lack of a better word. Mrs. Ilse Le Roux and Ms. Tarie Gwena did a splendid job from the administration side of things while my supervisors Dr. Rory Pilosof, Dr. Ivo Mhike and Professor Phimister nourished the academic side of things. I am particularly indebted to Prof. Phimister for generously funding all my research trips without which this thesis would not have been possible. This is not to mention a whole cohort of fellow PhD students, notably Victor Gwande and George Bishi, with whom I shared the thoughts that shaped this work. Joseph Kachim read some of my chapters and the rest of my PhD cohort – Lotti, Unaludo, Miyanda, Joyline, Bryson and Eleanor – became part of my new family. Post-doctoral fellows, Drs. Nyamunda and Masakure assisted in special ways. Dr. Admire Mseba deserves special mention, not least because he is a fellow comrade from Mberengwa, but also because he provided some necessary first-aid-tricks when the going got tough, and the Rubicon appeared difficult to cross.

The list cannot be complete without mention of my comrade from Sudan, Emad Hassebeldaim Hadi, with whom I shared more than just three years in Flat 20 Wag-n-Bietjie. The political discussions and debates kept me off books and provided the much needed occasional diversion from school work. The cup of coffee at *Fisika* and the delicious *gurasa* we shared kept me going. Last but not least, I wish to acknowledge my family, particularly my youngest daughter Nonsikelelo, who is almost as old as the thesis, for enduring my absence as I pursued my studies.

Acronyms

AOT	Associated Overseas Territories
BOT	British Board of Trade
BSAP	British South Africa Police
CPPC	Colonial Primary Products Committee
CRO	Commonwealth Relations Office
ECM	European Common Market
ECP	Export Control Permit
EEC	European Economic Community
FTLRP	Fast Track Land Reform Programme
GATT	General Agreement on Trade and Tariffs
HC	High Commissioner
ITC	Imperial Tobacco Company
JOC	Joint Operations Command
LA	London Agreement
MP	Member of Parliament
NAZ	National Archives of Zimbabwe
NIBMAR	No Independence Before Majority African Rule
PMQ	Provisional Marketing Quota
PL 480	Public Law 480
RNFU	Rhodesia National Farmers' Union
RTA	Rhodesia Tobacco Association
TAC	Tobacco Advisory Committee

TAWP	Trade Agreements Working Party
TC	Trade Commissioner
TEPCOR	Tobacco Export Promotion Council of Rhodesia
TEPCORN	Tobacco Export Promotion Corporation of Rhodesia and Nyasaland
TIMB	Tobacco Industry Marketing Board
TMB	Tobacco Marketing Board
TPF	Tobacco Producers Floor
TRB	Tobacco Research Board
TTA	Tobacco Trade Association
UTCB	Union Tobacco Control Board
WP	Working Party
ZTA	Zimbabwe Tobacco Association

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INTRODUCTION

COLONIAL ZIMBABWE'S TOBACCO INDUSTRY: GLOBAL, REGIONAL AND LOCAL RELATIONS, 1947-1979

Introduction

This thesis examines colonial Zimbabwe's tobacco industry from 1947 to 1979, focusing on the interplay of global, regional and local factors affecting the industry. By so doing, the study illuminates the extent to which the development of the local tobacco industry was influenced by the different contexts within which it operated, transcending the parochial emphasis on internal dynamics prevalent in the literature. There are two contrasting tendencies dominating settler agriculture literature: an over-emphasis on the role of the state on one hand, and the over-glorification of market forces, and connected to this, the celebration of the ingenuity of the white settler farmer, on the other. While the two approaches offer different frameworks of analysis in the study of settler agriculture, they converge in their similar emphasis on internal dynamics. By contrast, the approach adopted for this thesis integrates the analysis of local dynamics with that of post-Second World War imperial-colonial relations. Using such a framework enables this thesis to explain the shifts in the industry's fortunes during the period under review. At the broader level, the study contributes to the growing scholarship on settler colonial studies. It marks a departure from the emphasis on the history of contact between indigenous people and white settlers prevalent in the literature, to shed light on the relationship between the settler economy and the metropole in the post-Second World War context. In doing so, the thesis advances key debates on how scholars have sought to understand the relationship between white settlers, their metropolitan counterparts and indigenous Africans, in a settler colonial setting.

The period covered in this thesis was characterised by a fluid global context whose impact on the local tobacco industry was not uniform. The immediate post-war global environment was dominated by dollar shortages which forced Britain to look within its empire for supplies of essential raw materials like tobacco. Traditionally, British tobacco supplies came from the United States of America (USA), hence, had to be paid in dollars. The shortage of dollars in Britain and the resultant shift towards imperial sources created a potentially huge market for the local tobacco industry. However, this moment was short-lived. Once Britain moved towards convertibility of the sterling and open markets starting from 1953, the global tobacco market terrain changed, and with it the local industry's prospects. Decolonisation in the late 1950s to the early 1960s further complicated the situation for the local tobacco industry.

This also receives attention in this thesis. The thesis further examines the extent to which a radically changed global environment after the colony's Prime Minister, Ian Smith, unilaterally declared independence (hereafter UDI) from British control impacted on the industry. It analyses how the local tobacco industry fared in the face of sanctions triggered by UDI, the oil shock inspired by the global economic crisis of the 1970s, and the armed liberation struggle waged by African nationalist movements around the same time. Concurrently, the thesis explores how shifting global and local forces shaped the relationship between the local tobacco industry and the state on one hand, and between organised tobacco interests in the Rhodesia Tobacco Association (RTA) and ordinary tobacco growers, on the other.

This introduction is divided into five sections. The first section justifies the study by explaining why pursuing the story of the colony's tobacco industry in the aftermath of the Second World War is an important step in understanding aspects of the general economic history of Zimbabwe. After a survey of available literature on the colony's tobacco industry, the second section identifies gaps in the historiography, which this thesis hopes to fill. Based on the historiographical gap identified in the second section, section three outlines the aims and objectives of the study. It also raises the questions that the thesis seeks to answer to achieve its objectives. The fourth section discusses the methodology used, outlining the sources utilised to answer research questions. This is followed by the last section which provides an overview of the organisation and presentation of evidence in answering the research questions. It does so by giving an outline of the chapters constituting the body of the thesis. The thesis focuses only on flue-cured Virginia tobacco. Although other varieties such as burley and Turkish or Oriental tobacco were grown, their contribution to annual tobacco production was very small. Consequently, their influence in the formulation of tobacco policy was limited, and the dynamics of their production require a separate study.

Why tobacco? Rationale and Justification of the Study

Scholars of Zimbabwean agrarian and economic history, as well as contemporary economists, have acknowledged the centrality of the tobacco industry in the socio-economic fabric of the colony for much of its history. Certainly, the tobacco industry was at the heart of the colony's post-war agro-based economy. Steven Rubert, for instance, noted that in the post-Second World War era, tobacco not only became 'Southern Rhodesia's most important export commodity,' but was also 'the linchpin of the colonial government's European settler policy.'¹

¹ S. C. Rubert, *A Most Promising Weed: A History of Tobacco Farming and Labour in Colonial Zimbabwe, 1890-1945* (Ohio: Ohio University Press, 1998), xi-xii.

By the 1950s, tobacco ‘had become the dominant industry of Southern Rhodesia,’ directly and indirectly producing much of its wealth, with the colony assuming the mantle of being Africa’s largest producer.² Profits from tobacco were partly invested in capital developments such as conservation works and the building of dams.³ This investment in infrastructure laid a firm foundation for the expansion of the colony’s agricultural base beyond tobacco, as well as that of secondary industrialisation. In the words of the economist, Henry Dunlop:

the expansion of agricultural production was based initially on the opening up of new areas to settlement and subsequently on the expansion of cultivation in existing farms; both types of development called for substantial preliminary investment in land clearing and cultivation which would have yielded an inadequate return for any purpose other than tobacco.⁴

Without tobacco ‘it is questionable whether there would have been any significant expansion of the agricultural sector’ during this period.⁵ And without tobacco’s foreign exchange earning capacity it is doubtful whether the colony’s wider economy would have developed in the manner, and with the pace, it did.⁶

According to Michael D. Hooper, tobacco had ‘a profound effect upon the economic development of the country until UDI.’⁷ For instance:

Tobacco profits provided many new immigrant farmers with the capital necessary to survive on, and further exploit their land. In addition, the tobacco boom generated considerable employment opportunities for Europeans in Salisbury in the industries fueled by tobacco’s success.⁸

Writing in 1962 journalist Frank Clements and his tobacco grower and Rhodesia Tobacco Association (RTA) Councillor colleague, Edward Harben, were not far from the truth when they claimed that ‘tobacco created contemporary Rhodesia,’ describing the industry as ‘the chief impulse to the flood of immigration [and] to the opening up of vast new areas of unsurveyed bush.’⁹ Needless to say the so-called bushes were not empty as claimed. Africans were removed to pave way for potential tobacco farmers. By the time of UDI in 1965, the

² H. Weinmann, *Agricultural Research and Development in Southern Rhodesia, 1924-1950* (Salisbury: University of Rhodesia, 1975), 83.

³ W. E. Haviland, ‘Tobacco Farm Organisation, Costs and Land-Use in Southern Rhodesia’, *South African Journal of Economics*, 21, 4 (1953), 367-380.

⁴ H. Dunlop, *The Development of European Agriculture in Rhodesia, 1945-1965* (Salisbury: University of Rhodesia, 1971), 43-4.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ M. D. Hooper, ‘The Political Economy of the Rhodesian Tobacco Industry, 1945-1965’ (Master of Letters Thesis, University of Aberdeen, Aberdeen, 1988), 50.

⁸ *Ibid.*

⁹ F. Clements, and E. Harben, *Leaf of Gold: The Story of Rhodesian Tobacco* (London: Methuen, 1962), 135.

colony had become ‘the world’s second leading exporter of flue-cured tobacco after the US.’¹⁰ On the domestic economic scene, ‘exports of the crop accounted for about one-third of the colony’s total export earnings.’¹¹ The foregoing suggests that studying the tobacco industry is crucial for understanding colonial Zimbabwe’s post-Second World War economic history.

It is surprising then that while the centrality of the industry in the colony’s economy is widely acknowledged in the literature, it remains an under-studied area, especially in the post-Second World era, which was its most important phase.¹² Writing in 1971, Dunlop bemoaned the ‘scant attention paid in academic works to the remarkable performance of European agriculture in Rhodesia during the post-war period.’¹³ Needless to say, the remarkable performance of European agriculture in the post-war era alluded to by Dunlop was driven by the tobacco boom. More recently, when acknowledging the considerable literature on UDI, Tinashe Nyamunda noted the paucity of work on tobacco.¹⁴ Yet, arguably, the agro-based economic history of Zimbabwe turns on the history of its tobacco industry.¹⁵ Any account on the economic history of post-1945 colonial Zimbabwe is flawed if the dynamics of the tobacco industry do not take centre stage. The industry’s marginality in historical studies of the post-Second World war era can be explained by two factors: first, the focusing of scholarly lens on the high drama of labour unrests and the growth of mass nationalism which characterised this period;¹⁶ and, second, as noted by Dunlop, it might reflect a mistaken belief:

that the initial conditions and the institutional framework of development were so atypical of developing countries, that an analysis of the economic processes involved would yield little of general interest.¹⁷

¹⁰ J. Kurebwa, *The Politics of Economic Sanctions on Rhodesia [Zimbabwe], 1965-1979* (Harare: University of Zimbabwe Press, 2012), 146.

¹¹ *Ibid.*

¹² The earlier period to the end of the war has been covered by such scholars as I. Phimister, *An Economic and Social History of Zimbabwe, 1890-1948: Capital Accumulation and Class Struggle* (London: Longman, 1988); V. E. M. Machingaidze, ‘The Development of Settler Capitalist Agriculture with Particular Reference to the Role of the State’ (PhD Thesis, University of London, London, 1980); and Rubert, *A Most Promising Weed*.

¹³ Dunlop, *The Development of European Agriculture*, 1.

¹⁴ T. Nyamunda, ‘More a Cause than a Country: Historiography, UDI and the Crisis of Decolonisation in Rhodesia,’ *Journal of Southern African Studies*, 42, 5 (2016), 1005-1019, 1013.

¹⁵ For a detailed exposition of the place of agriculture in general, and tobacco in particular, in the economy of colonial Zimbabwe, see Dunlop, *The Development of European Agriculture*, especially the section titled, ‘Agriculture in the Economy,’ 55.

¹⁶ See such works as N. Bhebe, *Benjamin Burombo: African Politics in Colonial Zimbabwe, 1945-1958* (Harare: College Press, 1989); I. Phimister and B. Raftopoulos, ‘Kana Sora Ratswa Ngaritswe: African Nationalists and Black Workers: the 1948 General Strike’, *Journal of Historical Sociology*, 3, 2 (2000), 289-324. More recently, George Karekwaivanane has also added his voice by examining the settler-indigenous relationship from a legal history perspective. See G. H. Karekwaivanane, *The Struggle over State Power in Zimbabwe: Law and Politics Since 1950* (Cambridge: Cambridge University Press, 2017).

¹⁷ See Dunlop, *The Development of European Agriculture*, 1. He correctly suggests that it is more meaningful to consider the political structure of Rhodesia as accentuating social and economic factors common to most under-developed countries rather than as creating a wholly unique situation.

While explanations for this may differ, it still leaves a lacuna in Zimbabwe's socio-economic historiography, a gap which this study seeks to fill.

However, this study is more than just an attempt at reinserting tobacco into the socio-economic and political histories of post-war colonial Zimbabwe. Together with other historical studies of this period, an analysis of the tobacco industry deepens our understanding of colonial Zimbabwe's broader post-war economic history.¹⁸ At another level, the study disrupts conventional wisdom on post-Second World War imperial-colonial relations. The tendency in post-war narratives to approach imperial-colonial economic relations from the viewpoint of a metropole that imposed its will on its colonial possessions is well established in the literature. Also known as the 'second colonial occupation,' Britain's post-war imperial policy is projected as an escalation of the exploitation of colonial resources to salvage the empire's war-ravaged economy. Unsurprisingly, such narratives often relegate colonies to not only passive recipients of imperial policies, but also victims of metropolitan manipulations. While this may be generally true, the case of colonial Zimbabwe, however, presents a somewhat different story. Contrary to the 'centre-periphery' template of most 'second colonial occupation' literature, this thesis illuminates the complex relationship between the settler colony and its imperial metropole. In doing so, the study does not only ask new questions on the dynamics of settler colonialism, but more importantly, it also invites reflections on the emerging power relations between settler colonial and metropolitan interests, and how that shaped developments in colonial Zimbabwe's tobacco industry.

The Development of Settler Agriculture in Colonial Zimbabwe to the 1940s: Historiographical Reflections

Studies on colonial Zimbabwe's settler agriculture in general, and the tobacco sector in particular, have adopted two broad approaches, and may be grouped into two loose categories.¹⁹ The first category, comprising of Twiston Davies, Trish Mbangwa and Clements

¹⁸ The development of secondary industrialisation during the post war era is the subject of doctoral research by V. Gwande; see also Gwande and Phimister, 'Secondary Industry and Settler Colonialism: Southern Rhodesia before and after the Unilateral Declaration of Independence', *African Economic History*, 45, 2 (2017), 85-112. For studies on the financial aspects of colonial Zimbabwe's economy during this period, see Nyamunda, 'Financing Rebellion: The Rhodesian State, Financial Policy and Exchange Control, 1962-1979' (PhD Thesis, University of the Free State, Bloemfontein, 2016); and his 'Money, Banking and Rhodesia's Unilateral Declaration of Independence', *Journal of Imperial and Commonwealth History*, 45, 5 (2017), 746-776.

¹⁹ See W. T. Davies, *Fifty Years of Progress: An Account of the African Organisation of the Imperial Tobacco Company, 1907-1927* (London: The Imperial Tobacco Company (of Great Britain and Ireland) Limited, 1957); Clements and Harben, *Leaf of Gold*; T. Mbangwa, *Tobacco: A Century of Gold* (Harare: ZIL Publications, 1991); Machingaidze, 'The Development of Settler Capitalist Agriculture'; Hooper, 'The Political Economy'; and Rubert, *A Most Promising Weed*. The first three works fall in one category, while the last fall in a category of their own.

and Harben, tends to place much emphasis on the role of private enterprise and the ingenuity and industriousness of individual farmers to explain the development of colonial Zimbabwe's tobacco industry. Because, to varying extents, all the three works were sponsored by sections of the tobacco industry, they tend to portray the local tobacco industry in glowing terms in a manner that is akin to public relations and promotional literature. Davies' account, a purely commissioned work written by a senior employee to specifically celebrate the Imperial Tobacco Company's Jubilee in Africa, fits this description. Predictably, he painted a very glowing and one-sided picture of the sponsoring company to coincide with the celebrations.²⁰

Clements and Harben's book was specially commissioned by the RTA.²¹ While it provides valuable insights into the colony's industry, there is a thin line dividing it and propaganda material. In fact, the book is framed within what Lorenzo Veracini has described as the 'pioneering and virgin lands' historiographical tradition whose emphasis was on 'narrating an exclusive encounter between the settlers and the lands they claimed.'²² According to this approach, 'settlers were studied in isolation, and colonialism – the subjection of colonised 'others', systematically disavowed.'²³ Unsurprisingly, literature of that nature tends to be full of praise for the hard working and sacrificing tobacco growers who built a world class industry from scratch. The place of the industry in the general economy of the colony is exaggerated. It is in line with this that Clements and Harben argued that without tobacco there would have been no Rhodesia. In any case, by the authors' admission, the book does not claim to be an academic work. It was written 'for the general reader, not for the student or the historian.'²⁴

Although not directly commissioned, Mbanga's project was partly sponsored by tobacco manufacturers whom she acknowledged in the book. Written in 1991, and covering 100 years, from 1890 to 1990, the book also has a celebratory tone captured by its romantic title.²⁵ Like Clements and Harben, Mbanga did not claim to be writing an academic historical account. Her book was not 'an exhaustive record of the tobacco industry's history.'²⁶ On the contrary, it was an attempt to 'paint a wide and rolling landscape' of Zimbabwe's tobacco

²⁰ See for instance, Davies, *Fifty Years of Progress*, 74-5.

²¹ See the review of the book in *Rhodesia Herald*, 5 October 1962.

²² L. Veracini, 'Settler Colonialism: Career of a Concept', *Journal of Commonwealth and Imperial History*, 41, 2 (2013), 313-333, 317.

²³ *Ibid.*

²⁴ Clements and Harben, *Leaf of Gold*, 13.

²⁵ The title of the book is *Tobacco: A Century of Gold*.

²⁶ *Ibid.*

industry from 1890 to 1990.²⁷ Given such a scope, it is unsurprising that the book gives a generalised story of the industry. As if the generalisations are not problematic enough, part of Mbanga's work regurgitates sections of Davies and Clements and Harben's books, in some instances word for word.²⁸

Despite the shortcomings noted above, the three works, in different ways provide useful information that helps in understanding the colony's tobacco industry. For instance, Davies benefitted from unlimited access to company documents and laid the foundation for our appreciation of the importance of the British market which this thesis further explores in detail in the post-Second World War era. Equally, Mbanga's access to the Tobacco Industry and Marketing Board (TIMB) and Zimbabwe Tobacco Association (ZTA) archives benefitted this study. She painstakingly compiled key statistics on the tobacco industry for the period 1936-1990, notably the number of growers, yield, acreage under tobacco, yield per acre, and average prices. Analysing such statistics provide valuable insights into the ups and downs which the industry experienced during the period of study. It is this fluctuation in the fortunes of the local tobacco industry which this thesis seeks to examine by analysing the global context within which this happened. Clements and Harben are more useful as 'biographers of the industry' who provided an insider survey of the developments within the tobacco industry from 1890-1962.²⁹ Their bias was mitigated by corroborating sources such as newspapers and the RTA Congress minutes.

While the works of Mbanga and Clements and Harben emphasise the role of the settler farmer in the development of the colony's tobacco industry, Machingaidze, Phimister and to some extent Rubert proffer much more complex explanations which bring indigenous Africans into the fold, as well as taking into account the role of the colonial state in the development of the colony's tobacco industry. Unlike the first category of literature which preoccupies itself with the encounter between settlers and the 'virgin' lands they were conquering, this strand 'coalesced around the recovery of the historical experience of indigenous peoples in white settler nations.'³⁰ This is the context within which Rubert's portrayal of the experiences of African labourers on tobacco farms, and Machingaidze's analysis of the role of the colonial

²⁷ *Ibid.*

²⁸ See for instance the whole of Mbanga's pages 55 and 56 which were taken word for word from Davies's pages 29 and 30. This is not the only case of plagiarism, whole sections have also been taken from Clements and Harben without acknowledgement.

²⁹ A. Selby, 'Commercial Farmers and the State: Interest Group Politics and Land Reform in Zimbabwe' (DPhil Thesis, Oxford University, Oxford, 2006), 47.

³⁰ Veracini, 'Settler Colonialism', 324.

state in the development of settler agriculture, should be understood. The radical school of thought was useful in exposing the fallacy of the magic of the invisible hand of the market by showing the coercive hand of the state in the development of settler capitalist agriculture in colonial Zimbabwe. In doing so, it cast aspersions on explanations that placed disproportionate emphasis on individual white settler farmer initiative. Yet, useful as it was, this approach was limited in its scope. With the exception of Phimister who highlights the importance of regional and global markets for settler tobacco growing, a theme which this thesis closely pursues from 1947 to 1979, the rest of the literature focuses on internal dynamics of settler agriculture. This is partly because such works were narrowly framed to respond to the liberal tradition. By approaching the tobacco industry from the global environment perspective, this thesis seeks to transcend this narrowness in focus and expand our appreciation of the complexity and multiplicity of factors that influenced the performance of the local tobacco industry between 1947 and 1979.

Both categories of works share yet another limitation. They end around the end of the Second World War. For instance, Rubert's work covers the period 1890 to 1945. By that time the *Most Promising Weed* was just a promise which had not yet turned into a *Leaf of Gold*. Phimister's book ends in 1948, just a year after the crafting of the game-changing London Agreement, while Machingaidze's thesis' cut off year is in 1939. Neither of them cover war and post-war dynamics which drastically transformed the fortunes of the colony's tobacco industry. Clements and Harben's book goes up to 1962 and also misses out on the dramatic changes that UDI and the African war of liberation brought to the industry. The only work that seeks to cover the entire period is Mbanga, but as has been discussed earlier, this was nothing more than 'a wide rolling' account of the industry which predictably flattens history in its quest to paint a whole 'century of gold.'³¹ Conveniently, little attention was paid to events that disrupted the romantic notion of the golden century which she was eager to paint.

From A Most Promising Weed to Leaf of Gold: Second World War and the Consolidation of Colonial Zimbabwe's Tobacco Industry

While the tobacco story up to the end of Second World War has received some scholarly attention as discussed in the previous section, very little has been written on the post-Second War era, which ironically is the phase in which the crop dislodged gold as the colony's key foreign currency earner, earning the moniker 'Leaf of Gold' in the process.³² Of what is

³¹ See Mbanga's introduction in Mbanga, *Century of Gold*.

³² See Clements and Harben, *Leaf of Gold*.

available, the focus remained on internal dynamics, particularly the heroic role of the settler growers in building an industry from scratch. There has not been any systematic attempt to link the internal/local with the global in analysing the development of the colony's tobacco industry during this period. Against this background, this study aims to insert the story of the local industry into broader post-war imperial historiographies.

With the exception of Clements and Harben whose account goes up to 1962 and Mbanga's generalised rolling account, there is scant literature on colonial Zimbabwe's tobacco industry in post-Second World period. Notable exceptions are Hooper and Dunlop, but even those end in 1965. More to the point, the former is a History Master's dissertation, and the latter is an account by an economist that focuses on internal economic linkages, and cannot claim to be a historical account of the colonial Zimbabwe's tobacco industry. Second, by examining on European agriculture in general, Dunlop gives restricted space to dynamics playing out specifically in the tobacco industry. Other works include Richard Hodder-Williams' book and a few other accounts written in the 1950s by non-historians.³³ But, Hodder-Williams' book 'fails to live up to its expansive title.'³⁴ As Rory Pilosof observes, it 'is a classic example of micro narrative masquerading as national history.'³⁵ One major limitation of the book is that it is 'primarily concerned with the history of white farmers in one small farming area.'³⁶ While the other works written by geographers and economists are valuable as sources of statistical data, they are also limited in scope and do not trace change over time, which this thesis seeks to do.

While he makes extensive use of archives and interviews in his study of the colony's tobacco industry, it is Hooper's focus which makes his dissertation different from this study. Ending his study in 1965, Hooper did not fully trace continuities and discontinuities in policies and relationships, not least during the particular circumstances of UDI. More importantly, his study was confined to an exploration of the political significance of the tobacco industry in colonial Zimbabwe.³⁷ Aiming to 'contribute to a better understanding of European politics in

³³ See R. Hodder-Williams, *White Farmers in Rhodesia, 1890-1965: A History of the Marandellas District* (London: Macmillan, 1983); P. Scott, 'The Tobacco Industry of Southern Rhodesia', *Economic Geography*, 28, 3 (1952), 189-206; H. E. Haviland, 'Tobacco Farm Organisation, Costs and Land-Use in Southern Rhodesia', *South African Journal of Economics*, 21, 4 (1953), 367-380; H. E. Roberts, 'The Development of the Southern Rhodesian Tobacco Industry', *South African Journal of Economics*, 19, 2 (1951), 177-188; and G. E. Addicott, 'Rhodesian Tobacco and World Markets', *South African Journal of Economics*, 26, 1 (1958), 29-40.

³⁴ R. Pilosof, *The Unbearable Whiteness of Being: Farmers' Voices from Zimbabwe* (Harare and Cape Town: Weaver and University of Cape Town Press, 2012), 13.

³⁵ *Ibid.*

³⁶ *Ibid.*

³⁷ Hooper, 'The Political Economy', 3.

Southern Rhodesia and a better understanding of European farming attitudes before November 1965,' Hooper's focus was on the tobacco industry's local dynamics.³⁸

Because most of the tobacco leaf was for export, the success of the industry was premised on the stability of the international market. This was guaranteed in 1947 by the London Agreement, precipitated by Britain's post-war dollar crisis which reduced American tobacco supplies. It was this crisis that provided the impetus for the protected growth of colonial Zimbabwe's infant tobacco industry to the extent that by the time Britain's financial crisis receded, the industry had become a force to reckon with globally, both in terms of quality and quantity. For this reason, the study will also engage with post-war imperial historiography to illuminate the ways in which the global environment impacted on the local tobacco industry.

Post-war imperial historiography, writes John Darwin, is characterised by 'a paradox that has long been noted by historians of Africa.'³⁹ Instead of the last days of empire being marked by 'terminal sloth,' it was characterized 'by a frenzy of governmental activity,' also known as 'the second colonial occupation.'⁴⁰ One tendency in the literature has been to portray Britain tightening its grip on certain of its colonial possessions. Colonies are portrayed as victims of this second colonial occupation in terms of which their resources were exploited in the interest of Britain.⁴¹ Darwin represents the general thrust of this strand of literature when he identified 'the real urgency' as having been 'imparted by the needs of the imperial metropole,' which perceived its tropical colonies as assets.⁴² By implication, the imperial metropole was seen as exploiting its colonies. Commenting on the impact of Britain's 1947 Exchange Control Act on colonial Zimbabwe, for example, Nyamunda reinforces this view by arguing that exchange controls only 'enhanced further entrenchment to sterling', further suggesting that 'the colony felt stifled by this.'⁴³ While this may have been true with respect to

³⁸ Ibid., 4.

³⁹ J. Darwin, Review, 'Money and the End of Empire: British International Economic Policy and the Colonies 1947-58 by G. Krozewski; Britain's Sterling Colonial Policy and decolonization 1939-1958 by A. Hinds', *Journal of Economic History*, 62, 4 (2002), 1117-1179, 1117; P. J. Cain and A. G. Hopkins, *British Imperialism 1688-2000* (London and New York: Routledge, 2001), 617-40; D. A. Low and J. Lonsdale (eds.), *The Oxford History of East Africa* (Oxford: Oxford University Press, 1976); C. L. Riley, 'Monstrous Predatory Vampires and Beneficent Fairy-godmothers: British Post-war Development in Africa' (PhD Thesis, University College of London, London, 2013); S. H. Ismail, 'Second Colonial Occupation: The United States and the British Malaya 1945-1949', *Asian Culture and History*, 4, 1 (2012), 29-40; Susan Strange, *Sterling and British Policy: A Political Study of an International Currency in Decline* (London and New York: Oxford university Press, 1971).

⁴⁰ Darwin, 'Review', 1117-1179.

⁴¹ See also B. U. Ukelina, *The Second Colonial Occupation: Development Planning, Agriculture, and the Legacies of British Rule in Nigeria* (London: Lexington Books, 2017); and A. Stutton, *The Political Economy of Imperial Relations: Britain, the Sterling Area, and Malaya, 1945-1960* (New York: Springer, 2015).

⁴² Darwin, 'Review', 1117-1179.

⁴³ Nyamunda, 'Financing Rebellion', 33.

currency and financial matters, this study shows that the dollar import restrictions forming part of the exchange control regulatory framework proved to be a blessing in disguise for the colony's tobacco industry. The peculiar positioning of colonial Zimbabwe – responsible government with considerable levels of autonomy – was such that metropolitan interests had to contend with white settler interests, which did not always converge.

Other scholars who have written on specific aspects of British post-war imperial economic policy have also generally approached post-war imperial-colonial relations from the metropolitan viewpoint. While making an important observation that 'the numerous small territories within the empire have not been examined systematically', Krozewski's suggestion still privileged the metropole. His contribution is based on 'how the analysis of individual colonial territories could be integrated with the analysis of imperialism, as seen from a metropolitan viewpoint.'⁴⁴ And this is because Krozewski was specifically focusing on imperial history. To this end, he identifies four stages of post-war British-Empire relations. The year 1947 is viewed as a juncture 'with a shift towards Empire away from liberalization due to the convertibility crisis.'⁴⁵ The third stage, according to this view, begins in 1953, and it saw 'the economic relationship between Britain and the empire diverge.'⁴⁶ The argument is that British economic and monetary links with its empire converged immediately after the war due to repeated crises during this period. When Britain began to shift towards integration with the liberal world order, links with empire began to diverge until 1958, when Britain's relationship with its empire effectively severed.⁴⁷ In all this, and justifiably so, Britain is generally projected as manipulating its colonies for its own benefit.

However, the approach taken in this study, and the story of colonial Zimbabwe it pursues, builds on Krozewski's works to provide an alternative way of looking at post-Second World War imperial-colonial relations. By integrating the analysis of colonial Zimbabwe's tobacco industry with the analysis of post-war imperial relations, as seen from the colony's viewpoint, this thesis will demonstrate how colonial Zimbabwe leveraged the postwar challenges in Britain to build a viable and competitive tobacco industry. Local tobacco growers used British manufacturers' shortage of dollars as a prop for their own tobacco growing industry. As discussed in Chapter One of this thesis, the colony's growers were alive to the

⁴⁴ Krozewski, 'Sterling, the 'Minor' Territories, and the End of Formal Empire, 1939-1958', *Economic History Review*, 46, 2 (1993), 239-265.

⁴⁵ G. Krozewski, *Money and the End of Empire: British International Economic Policy and the Colonies, 1947-58* (New York: Springer, 2001), 196.

⁴⁶ *Ibid.*

⁴⁷ See also Sutton, *The Political Economy of Imperial Relations*.

vulnerability of British tobacco manufacturers due to lack of dollars to import leaf from America. On the basis of this knowledge, they made a conscious and deliberate decision to manipulate this vulnerability to establish a strong and viable industry for themselves, which outlived Britain's currency problems. By the time Britain achieved formal sterling convertibility in 1958, the colony's tobacco industry had not only extended its tentacles beyond the empire, but was also so entrenched that it could compete with the best in the world. Admittedly, power asymmetries between British tobacco manufacturers and the colony's growers meant that the relationship was skewed in favour of the former, but this thesis argues that it still did not conform to the conventional imperial-colonial template dominant in the literature. Needless to say that the solid tobacco industry was built on the back of Africans, who did not only provide much of the labour requirements, but who, in what can pass for 'localised second colonial occupation', were expelled from their lands to pave way for more white settler farmers.

UDI, Sanctions and War

One of the defining events in the history of colonial Zimbabwe in general and the tobacco industry in particular was Smith's UDI, and the international response it triggered. This had reverberations in the rebellious colony's diplomatic, political and economic spheres. A voluminous literature has explored the causes, course and consequences of UDI, a significant section of which offers political science and international relations perspectives.⁴⁸ The literature is divisible into two broad categories: that which focuses on the effectiveness of the sanctions and that which argues otherwise.⁴⁹ Subsumed in these approaches are internal cleavages that emerged as a result of the imposition of sanctions. Admittedly, recently economic historians have focused on this period, but it is with particular reference to finance

⁴⁸ See for instance, L. White, *Unpopular Sovereignty: Rhodesian Independence and African Decolonization*, (Chicago: University of Chicago Press, 2015); Kurebwa, *The Politics of Economic Sanctions*; R. Good, *The International Politics of the Rhodesian Rebellion* (London: Faber and Faber Limited, 1973); J. Handford, *Portrait of an Economy: Rhodesia under Sanctions* (Salisbury: Mercury Press, 1976); and D. M. Rowe, *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia* (Michigan: University of Michigan Press, 2001). For a recent historical account which looks at UDI from a legal history perspective, see G. H. Kararekwaivanane, *The Struggle over State Power*.

⁴⁹ For those who generally portray the effectiveness of sanctions see W. Minter and E. Schmidt, 'When Sanctions Worked: The Case of Rhodesia Re-examined,' *African Affairs*, 87, 347 (1988), 207-37; and A. M. Hawkins, 'The Rhodesian Economy under Sanctions', *The Rhodesian Journal of Economics*, 1, 1 (1967), 12-23. Those who emphasise the ineffectiveness of the sanctions include, P. Armstrong, *Tobacco Spiced with Ginger: The Life of Ginger Freeman* (Harare: Welston Press, 1987); Kurebwa, *The Politics of Economic Sanctions*; Good, *The International Politics*; Handford, *Portrait of an Economy*; and I. D. Smith, *The Great Betrayal* (London: Blake Publishing Limited, 1997).

and secondary industrialisation, once again ignoring tobacco, a key foreign currency earner on the eve of UDI. It is this area which this study seeks to focus on.

For a predominantly export commodity like tobacco, whose main market was Britain, UDI brought unprecedented challenges due to sanctions-induced trade restrictions.⁵⁰ ‘Tobacco,’ writes Pilosof, ‘was hit particularly hard by these trade restrictions.’⁵¹ In fact, Angus Selby added, ‘the UK, Germany and Japan, who normally absorbed 80 percent of the crop stopped purchasing.’⁵² Consequently, profit levels plummeted. Tobacco grower numbers declined sharply, the area cropped reduced, the volume sold fell significantly and export earnings which in 1965 constituted one third of total exports crashed from Rhodesian \$75 million to between \$25 and \$35 million per year.⁵³ Against this background, it is surprising that while other aspects of the embargo have been studied, rather less work has been done on tobacco.⁵⁴ While most of the works on the effectiveness or otherwise of the sanctions have, in varying degrees, made some reference to the tobacco industry, this is usually cursory. It must be noted that the focus of such works is not to understand the internal structural reconfigurations of the industry to any depth, but rather to use developments within the industry to advance their arguments on the effectiveness or otherwise of the punitive measures.⁵⁵ Unlike this approach, Chapter Three of this thesis focuses on the growers, the internal dynamics of the industry and the relationships that evolved as a result of changes brought about by UDI. It grapples with issues of intra-grower cohesion and grower-state relations in the face of production and marketing constraints, on one hand, and the security threats posed by the intensification of the liberation war in the 1970s, on the other.

Prominent amongst scholars who wrote on the tobacco industry under sanctions is David Rowe. Writing in 2001 and covering a wide array of issues around UDI sanctions, he devotes a chapter to the tobacco industry. Titled ‘Muzzled Dogs Don’t Bark: The Political Capture of Rhodesia’s Tobacco Industry,’ the chapter suggests that the government progressively distanced itself from tobacco, sacrificing this group for the sake of its broader political vision.⁵⁶ By contrast, Pilosof points out that the Smith regime realised ‘the importance of keeping farmers onside and on the land,’ and in pursuance of this objective, the

⁵⁰ D. M. Rowe, *Manipulating the Market*, 63.

⁵¹ Pilosof, *The Unbearable Whiteness*, 20.

⁵² Selby, ‘Commercial Farmers and the State’, 67.

⁵³ *Ibid.* See also Mbanga, *Century of Gold*, 226-28; Kurebwa, *The Politics of Economic Sanctions*.

⁵⁴ Nyamunda, ‘More a Cause than a Country’, 1013.

⁵⁵ See for instance, Rowe, *Manipulating the Market*.

⁵⁶ *Ibid.*

government was forced to adopt ‘costly measures to ensure their (farmers’) survival.’⁵⁷ If the Smith regime’s broad political vision was to ensure the economic and political survival of white minority rule, land occupancy – especially of border areas in the Northeast which were dominated by tobacco farming – remained a key priority. This thesis reinforces Pilosof’s view. It utilises the Smith Cabinet Papers, which Rowe did not access, to shed light on what went on behind the closed doors of the Smith regime’s cabinet room. These show that, contrary to Rowe’s argument, the Smith regime’s relationship with the tobacco industry players was influenced by existential and strategic considerations. It also suggests that the phrase ‘muzzled dogs’ does not adequately capture the position of tobacco growers during UDI. Action by growers sometimes forced government to change its policy on tobacco’s producer prices and quota allocations, among other policies.

Apart from sanctions, the intensification of the armed war of liberation in the early 1970s onwards affected farming in general, and tobacco growing in particular. What is little accounted for, however, Pilosof notes, is ‘the impact of these on the farming community.’⁵⁸ Not only are the impacts of the war and sanctions on farmers ‘generally absent in the literature’, but also farmers’ changing relationship with the colonial state during this period.⁵⁹ It is to this gap in the literature that this thesis turns. Understanding how the war and the sanctions dispensation redefined state-grower relations, particularly how this influenced the political outlook of tobacco growers as an economic interest group, expands our appreciation of the nature and extent of internal pressures that were brought to bear on the rebellious regime leading to its capitulation in 1979. Concurrently, a focus on the diplomatic and quasi-diplomatic manoeuvre employed by the tobacco industry to navigate its way around the sanctions and war hurdles provides a different way of looking at the efficacy or otherwise of sanctions.

Objectives and Research Questions

This thesis aims to unravel the dynamics shaping colonial Zimbabwe’s tobacco industry in the post-Second World War era to 1979. It seeks to do that by investigating the interaction of global, regional and local factors in the development of the industry. Related to this, it seeks to illuminate the ways in which the local industry responded to specific historical contexts characterised by shifting global environments and how this influenced the manner in which

⁵⁷ Pilosof, *The Unbearable Whiteness*, 20.

⁵⁸ *Ibid.*, 77.

⁵⁹ Selby, ‘Commercial Farmers and the State’, 76.

different stakeholders related to each other. To achieve these objectives, the study will be guided by the following main research questions: (a) How did the situation at the end of Second World War affect colonial Zimbabwe's tobacco industry? (b) What were the various global and regional contexts which influenced the colony's tobacco industry from 1947 to 1979? (c) How did the local industry respond to the shifting global contexts during the period under review? (d) What opportunities and challenges did the various global contexts present to the local tobacco industry, and finally (e) How did the growers and their association (RTA) respond to the challenges and opportunities? The thesis answers these and other related questions in the four substantive chapters that constitute its body, and in doing so it relied on the sources outlined below.

Note on Names, Currency, and Measurements

It is part of the colonial heritage that a country's name becomes a contentious issue. Throughout its almost 90 years of colonial rule, Zimbabwe underwent a number of name changes. Initially the country was known as South Zambesia before assuming the name Southern Rhodesia in 1896. It maintained that name when it joined Northern Rhodesia (Zambia) and Nyasaland (Malawi) to form the Central African Federation or the Federation of Rhodesia and Nyasaland. At the unbundling of the Federation in 1963, which saw Northern Rhodesia becoming Zambia, the country dropped the prefix 'Southern' to become Rhodesia. For the purpose of this thesis, I use the name colonial Zimbabwe to encompass the entire period from 1890 to 1979 although I am aware of the debates about the accuracy of the term 'colonial' given the events of 11 November 1965. As will be evident from the thesis, sometimes I use these name interchangeably depending on the source I will be citing.

The change in names is sometimes accompanied by other changes such as currency denominations and measurement units. What I have done is to follow my sources. For the most part in respect of currency I use the British pound (£) which is prominent in sources, especially from 1947 to 1969. From 1970 I use the Rhodesian dollar (RH\$) which was introduced on 17 February 1970 at a rate of RH\$2.00 to £1.00 or US\$1.40. On measurements I also follow sources which are mainly denominated in pounds (lbs). However, in the 1970s there was a shift to the use of kilogrammes (kgs). Where sources use lbs I stick to those and where they use kgs I revert to those. For the purposes of comparison, 1 kg is equivalent to 2.2 lbs.

Researching the Tobacco Industry: Sources and Methods

In seeking to answer the stated research questions, this thesis adopts a qualitative research design and relies on materials gathered from a wide range of sources. Secondary literature provides the necessary background to understanding the industry's dynamics during the period of study. It establishes the study's entry point into this area. Primarily, archival documents form the bulk of the study's materials and the National Archives of Zimbabwe (NAZ) houses most of the files used. Other archives such as the South African Archives in Pretoria, augmented files obtained from NAZ, National Library of South Africa, Tobacco Research Board (TRB) archives, Herald House archives, and Tobacco Industry Marketing Board (TIMB) repository also provided valuable documents for this study.

Newspapers, journals and magazines sketch a general outline of the events that took place during the entire period of study. For instance, from the Herald House archive, I managed to access the *Rhodesia Herald*, a daily newspaper that commenced circulation in 1893 and covered the entire study period. The Herald House newspaper repository in Harare is easily accessible. Articles can be photocopied or scanned. The collection holds each and every copy of the newspaper put into circulation. Following the newspaper articles on the tobacco industry enabled me to reconstruct a day to day account of developments within the industry as captured by the newspaper. This has been useful in structuring the thesis around a day-to-day chronology of events. What is also particularly important is that the newspaper has a 'Letters to the Editor' column for feedback. This proved important in giving voice to ordinary growers whose stories did not always feature in the main news articles which tended to focus more on the bigger picture of the industry. Whereas the main news articles carried the official voices of the state and organised agriculture, letters to the editor nuanced the story by giving individual farmer experiences which did not always coincide with the official position.

The Tobacco Research Board (TRB) Archives housed at the Kutsaga Research Centre in the outskirts of Harare is yet another important source of documents. It augments *Rhodesia Herald* collections in two important respects: it has tobacco related articles covering the whole study period and beyond, cut and arranged chronologically for easy access. More importantly, it includes articles from other newspapers such as the *Financial Gazette*, *Property and Finance*, the *Star*, the *Rand Daily Mail* and the *Northern News*, allowing for a more comprehensive coverage of developments within the industry. This is in addition to bound volumes of such industry specific publications as the *Rhodesian Tobacco Journal*, a privately-owned magazine owing no loyalty to any of the farming organisations, *World Tobacco*, an international

magazine covering tobacco issues at a global level, *Rhodesia Tobacco* and *Tobacco Forum of Rhodesia*, among others. From 1977, the *Rhodesian Tobacco Today*, a merger of *Rhodesian Tobacco Journal* and *Tobacco Today* came into circulation as the official mouthpiece of the Rhodesia Tobacco Association (RTA) and the Tobacco Trade Association (TTA). This was particularly useful in this study through providing insightful accounts about the industry. For instance, it serialised RTA and TTA Council meetings, Congress resolutions, and had a policy column written by the RTA President in each and every issue. Other important documents such as Tobacco Year Books, TMB Annual Reports and Government Annual Statistical Reports, RTA's Tobacco and Commercial Agriculture Year Books were also accessed at Kutsaga. Relevant data was gleaned from these sources to give a clearer picture of developments within the industry. Again, access to the repository is unrestricted and photocopying and scanning are permissible.

The information provided by these publications was strengthened by primary documents from the National Archives of Zimbabwe (NAZ). Of particular importance were the RTA Papers, which include important correspondence and minutes of the RTA Annual General Meetings, which unfortunately only go up to 1964. The remainder of the minutes were obtainable at the NAZ Records Centre. Although they are still unprocessed, I managed to access them to take the story from 1964 to 1979. Other files include Department of Agriculture correspondence on various issues up to 1963. I also managed to access minutes, annual reports and accounts of the Tobacco Marketing Board (TMB) as well as those of the Umvukwes Farmers' and Tobacco Growers' Association. The TIMB is still in operation and use was also made of soft copies of statistical data in their possession, especially from 1975 onwards.

Apart from TMB and RTA, Rhodesian tobacco interests were represented in other organisations and their voices can be discerned from organisational publications. For instance, the Tobacco Export Promotion Corporation of Rhodesia (TEPCOR) and after 1960, TEPCORN to include Nyasaland generated significant publications which were used in this study.⁶⁰ These include TEPCORN's official mouthpiece, the *Tobacco Forum of Rhodesia and Nyasaland* and Bulletin of the Tobacco Research Board. These newsletters and magazines carried organisational perspectives and individual farmers' opinions and views regarding

⁶⁰ See Tobacco Export Promotion Council of Rhodesia and Nyasaland, 'The Tobacco Industry of Rhodesia and Nyasaland', (Salisbury: TEPCORN, 1960); Tobacco Export Promotion Council of Rhodesia and Nyasaland 'Rhodesia's Golden Harvest: A Special Review of the Tobacco Industry of Rhodesia and Nyasaland', (Salisbury: TEPCORN, 1963).

specific issues and were important in providing nuance to the study. They are all readily available in the TRB archives at Kutsaga.

The UDI period has always been a difficult period for researchers. Newspapers were heavily censored and the general operations of the Tobacco Corporation, a statutory body charged with the buying and selling of tobacco, were shrouded in secrecy. Fortunately for this study, I managed to access two important collections: the Ian Smith and Maurice Rooney Papers which gave important insights into the tobacco industry. The Smith Papers, once housed in the Corey Research Library at Rhodes University in Grahamstown comprise of Government White Papers, inter-ministerial correspondence, Cabinet and Cabinet Committee Minutes and correspondences, which shed light on the day to day operations of the Smith government under cover of Cabinet confidentiality. The Rooney Papers also provided insider perspectives on the relationship between the government side and the industry within the Tobacco Corporation. A collection of minutes and reports on such issues as quota allocation meetings, price deliberations and so on, the Maurice Rooney papers bring in the public domain important insights into the administration of the tobacco industry in the wake of sanctions. Together, these collections enabled the study to capture the making of government policy with regard to tobacco, which no other study has had access to, providing an alternative way of looking at the considerations that influenced state-grower relations during UDI.

The National Archives of South Africa in Pretoria holds important files on the general political and economic relations between South Africa and colonial Zimbabwe. Of particular interest were custom agreements and deliberations as well as correspondence from the South African High Commissioner based in Salisbury. These files shed light on South African considerations in their economic relations with their northern neighbour. This thesis utilised these files to provide a regional dimension to the study of colonial Zimbabwe's tobacco industry.

Information on the economic relationship between Britain and Rhodesia in the post-war era was obtained from a digital archive facility, Adam Matthew Digital Archives. I managed to access valuable information from correspondence between the TMB and the Tobacco Advisory Committee (TAC) of the British Board of Trade (BOT), as well as correspondence between BOT officials and TAC representatives. These digital files were important in shedding light on the UK's tobacco policy towards Rhodesia. More files were also accessed containing correspondence between Commonwealth Relations Office officials and

the colonial Zimbabwe's government. These helped in putting the broad British-Rhodesian political and economic relationship in perspective.

Thesis Outline

The year 1947 provides a natural starting point for this study. As has been noted earlier, the London Agreement entered into in that year brought a new dimension, not only in the marketing, but also in the production and capitalisation of the industry. Colonial Zimbabwe's tobacco industry since then was never the same again, in terms of quantity, quality and yield per acre. Grower numbers ballooned and acreage under the crop increased significantly in response to the availability of an assured market. For that reason, the year provides a juncture for this study. 1979 marked an end to settler rule and the advent, the following year, of majority rule in Zimbabwe. Sanctions imposed during UDI were removed and once again independent Zimbabwean tobacco growers started competing with other producers in the global market. Events beyond 1979 context require a different project from this thesis.

In pursuing the story of colonial Zimbabwe's tobacco industry during the period 1947-1979, this study is organized into four substantive chapters. Drawing on the Adam Matthew Digital Archives, newspaper reports and documents from the NAZ, Chapter One provides the global context for the study. It investigates how the broader context of post-war reconstruction in Europe in general and in Britain in particular, impacted or influenced the economic relationship between Britain and colonial Zimbabwe. To this end, the chapter analyses the 1947 London Agreement entered into between British tobacco manufacturers and Rhodesian tobacco interests, to illuminate the circumstances under which it was consummated as well as ascertaining the extent to which it shaped tobacco marketing and production trends in colonial Zimbabwe. Using the phases of post-war imperial economic policy sketched by Gerold Krozewski – 1943-47 failure of convertibility, 1947-53, the turn towards empire, and 1953-56 shift towards liberalisation and convertibility – the chapter examines how the fortunes of the industry responded to the changing global contexts.⁶¹

Focusing on the period 1957-62, Chapter Two expands on the marketing challenges that were highlighted in Chapter One, examining how colonial Zimbabwe's tobacco industry sought to mitigate them. Changes in the global tobacco marketing terrain continued during the period under review. This triggered a major shift in tobacco growers' interactions with the colonial and imperial states, and the world tobacco trade. Exploring the shift adds nuance to

⁶¹ Krozewski, *Money and the End of Empire*.

our understanding of the colony's tobacco industry beyond explanations which overplay the role of the state on hand, and that of the white farmer on the other. By striking a balance between these two views, the chapter provides fresh perspectives on how the industry fared between 1957 and 1962. The context of an increased pace in the 'retreat of the Empire' offers another way of viewing the dynamic relationship between imperial and settler colonial interests as well as contributing to scholarly debates on settler-colonialism. Contrary to simplistic accounts that attribute all the misfortunes of colonial Zimbabwe's tobacco industry to the political 'folly' of UDI in 1965, this chapter shows that the industry's post-war growth trajectory began to show signs of stagnation well before UDI. The chapter ends in 1962 with the election of the Rhodesian Front (RF) into Government in December 1962, which had a huge bearing on the fortunes of the industry, a theme that is pursued in the following chapter.

Chapter Three analyses the position of tobacco farmers whose economic interests dictated a close relationship with Britain, but whose political interests rested with the RF and its quest for independence from Britain. It locates the position of tobacco farmers in the movement towards UDI and how they sought to balance their conflicting interests. The chapter traces the adjustments made by the state and growers in response to sanctions. Central to this was the re-organisation of the industry headlined by the establishment of the Tobacco Corporation. Covering the reconfiguration of both production patterns and marketing arrangements, the chapter examines how the changing trends shaped relations between growers, buyers and the state. The chapter covers the period stretching from 1963 to 1972. The year 1972 is the cut-off year for three reasons: firstly, in December of that year African liberation war fighters attacked Altena Farm in an incident that marked changed nationalist tactics in waging the liberation war.⁶² After that point, the war escalated in a manner that brought new dynamics to the tobacco industry and the farming sector in general. Secondly, the same year marked the end of 'silent auctions' introduced soon after UDI.⁶³ In 1973, the industry resumed the open auction tobacco marketing system in operation prior to sanctions. Thirdly, the 1973 oil shock and the resultant world recession impacted significantly on local developments in colonial Zimbabwe's tobacco industry. These three events cumulatively brought new dynamics in the fortunes of the industry. This marks the beginning of the next and final chapter of this thesis.

⁶² See Pilosof, *The Unbearable Whiteness*, 21.

⁶³ The phrase 'Silent auctions' refers to the secretive auctions introduced in 1966 to replace the open auction system which had been in place since 1936.

Chapter Four focuses on the performance and character of colonial Zimbabwe's tobacco industry under the strain of sanctions, an oil-shock inspired global economic crisis and an intensifying war of liberation. It investigates how the global tobacco trade climate of this period affected the local industry's prospects and asks new questions on the impact of sanctions and war. The chapter also analyses the rising tension between political interests and economic imperatives, and how tobacco farmers negotiated survival in such volatile times. To this end, it grapples with the question of how events of this period and the need for economic survival shaped the political outlook of colonial Zimbabwe's tobacco growers. The chapter covers the period 1973-79. The year 1972 ended with the intensification of the guerrilla war against the Smith regime, and the year 1973 opened with the oil crisis which triggered a world economic recession whose ripple effects reverberated with intensity in sanctioned and economically vulnerable colonial Zimbabwe.⁶⁴ The year 1979 marked the end of formal minority rule, and with the national elections the following year, a new chapter was opened in the history of the country as a new African administration took over formal political power.

The thesis concludes by summarizing the arguments and findings made in the study. The conclusion highlights salient contours that characterised colonial Zimbabwe's tobacco industry during the period 1947-1979, and the multiplicity of factors that shaped the industry's fortunes. The thesis demonstrated that the so-called 'second colonial occupation' in the post-war era did not have a uniform impact on colonies' economies. Whereas, for instance, Britain took advantage of dollar revenue generated by Malaya from its export of tin and rubber to mitigate its own currency challenges, the same cannot be said of colonial Zimbabwe's tobacco industry where settlers leveraged the shortage of dollars to establish a viable tobacco industry. The viability of the industry cannot be attributed to any single factor. It was a result of the global, regional and local socio-economic and political contexts which shifted drastically within the 32 years covered by this thesis. These included post-war dollar shortage and sterling inconvertibility, Britain's liberalisation drive in the late 1950s, decolonisation, sanctions and war. These contexts availed different opportunities and challenges to colonial Zimbabwe's tobacco industry, influencing its expansion and contraction during the period of study.

⁶⁴ See Nyamunda, 'Financing Rebellion'; L. Mafosa, 'Fuel Policy in Rhodesia during Economic Sanctions, 1965-79', (M. A Thesis, University of Zimbabwe, Harare, 2015); and Kurebwa, *The Politics of Economic Sanctions*.

CHAPTER ONE

POST-WAR BRITAIN, COLONIAL ZIMBABWE'S TOBACCO INDUSTRY AND BRITISH AGRO-INDUSTRIAL CAPITAL, 1947-1956

Introduction

As is apparent in the introduction to this thesis, the historical development of colonial Zimbabwe's tobacco industry until the Second World War has received significant attention in the literature. The industry experienced mixed fortunes, but generally remained suppressed until 1939 when the outbreak of the war provided the impetus for growth. The dominant question in growers' minds was whether the purple patch brought about by the war would continue in the post-war era. With the experience they had had with British manufacturers in the 1920s, the growers were suspicious of the manufacturers' post-war conduct. They remained apprehensive that with the war over, British manufacturers would revert to their preferred American leaf to the detriment of their industry. Against this background, this chapter examines the evolving economic relationship between imperial tobacco manufacturers and local growers in the post-war era up to 1956. By examining this relationship, the chapter lays the foundation for succeeding chapters which seek to demonstrate that, contrary to Trish Mbanga and Frank Clements and Edward Harben's celebratory and heroic accounts, the fortunes of colonial Zimbabwe's tobacco industry were complex and cannot be fully explained by the industriousness of the 'tobacco men' of colonial Zimbabwe. Instead, in 1947 three separate but related developments occurred in Britain which, together, shaped the manner in which local tobacco interests were entangled in the web of British post-war imperial designs. These were the commissioning of the Colonial Primary Products Committee (CPPC); the enactment of the Exchange Control Act; and the conclusion of the London Agreement (LA) between the British Board of Trade's (BOT) Tobacco Advisory Committee (TAC) and colonial Zimbabwe's Tobacco Marketing Board (TMB).¹

¹The CPPC's terms of reference were quite clear. It was tasked to review, commodity by commodity, the possibility of increasing colonial production. In doing so, the Committee had regard on one hand to the interests of the colonial Empire and, on the other hand, to the present and prospective world needs and the desirability of increasing foreign exchange resources. Perhaps more importantly, this was designed to act 'as a measure to meet the immediate dollar emergency' and 'as a long-term contribution to the stability of the sterling area and to European reconstruction plans.' For the full texts of the Minutes and Reports of the Committee, see Colonial Tobacco, 1944-1949. Available through: Adam Matthew, Marlborough, Global Commodities, http://www.globalcommodities.amdigital.co.uk/Documents/Details/BT_64_4302, accessed 11 July 2017; The Exchange Control Act, on the other hand was promulgated with the objective 'to conserve foreign exchange and directly to improve the U.K balance of payments and reserves', See <http://www.bankofengland.co.uk/archive/Documents/historicpubs/qb/1967/qb67q3245260.pdf>, accessed 19 July 2017; and finally the London Agreement was structured in such a way as to give British manufacturers first priority in obtaining top grade leaf at 'reasonable prices' from colonial Zimbabwe's auction floors, See National Archives of Zimbabwe, File 2570/TBC1, Vol.m1, Tobacco General, May 1947 -1949 August, T.M.B Meeting Minutes, 22 January 1948.

Pursuing the same agenda, the CPPC and Exchange Control Act provided the broader policy framework within which the third and more direct to colonial Zimbabwe's tobacco industry, the LA, was structured. As the chapter will demonstrate, the LA was a piece in a complex British post-war imperial jigsaw puzzle. Inversely linked to the fortunes of the sterling and the politics around it, the colony's tobacco industry responded to 'critical junctures' in Britain's sterling relations as proposed by Gerold Krozewski.² It is this response, and how it reconfigured the relationship between colonial Zimbabwe's tobacco industry and British tobacco manufacturers that this study seeks to investigate. As will be clearer from the discussion, the local tobacco industry's prospects were brightest in the immediate post-war era, which was characterised by critical dollar shortages and the resultant sterling inconvertibility. However, the profitability of the local tobacco industry faded as the dollar situation improved towards the mid-1950s onwards.

Divided into six sections, the chapter covers the colonial industry's 'honeymoon bliss' of the immediate post-war era and closes with the near divorce of the 1956 selling season.³ The grower-buyer relationship was nearly broken when, enraged by a fall in tobacco leaf prices, Rhodesian growers tore bale tickets in protest, leading to the temporary closure of the auction floors. When the union was resuscitated after mediation, the bond had taken a strain and the relationship became 'a marriage of convenience.'⁴ Focusing on this period allows this chapter to sketch the different phases which the local industry experienced. The first section contextualises Anglo-Rhodesian initiatives to structure a workable formula in the tobacco markets within the broader history of post-war imperial-colonial relations, focusing particularly on the activities of the CPPC. The second section looks at the segmentation of the colony's tobacco markets, with the first sub-section focusing on the LA, followed by the Australian agreement, the Union Quota and finally a subsection on non-priority markets and the operation of the export control permit system. The third section focuses on ordinary growers' responses to the LA followed by a section on the shift from a seller to a buyer's market. The final section highlights the deepening power asymmetries between growers and

² See Krozewski, *Money and the End of Empire*, 2-9, 191-98. Krozewski observed that imperial-colonial relations converged during the critical dollar shortage and sterling inconvertibility from 1947 to about 1952-3 before diverging during the liberalising phase starting in the mid-1950s and culminating in official convertibility in 1958. Colonial Zimbabwe's tobacco interests followed this trend: prospects were brightest during the earlier period but began fading as the shift towards full convertibility gathered pace.

³ Clements and Harben, *Leaf of Gold*, 163.

⁴ *Ibid.*

buyers and the resultant call for government intervention, thereby setting the stage for analysis of the post-1956 grower-buyer-state relations in the subsequent chapters.

A Potpourri of Interests: Post-war Britain, the Colonial State and Colonial Zimbabwe's Tobacco Growers

Colonial Zimbabwe's tobacco industry was propelled by the convergence and divergence of a multiplicity of interests: an Empire short of dollars to import American tobacco; a colonial state keen on entrenching white settler dominance through increased land occupancy; and an industry desperate for a steady market for its crop. This was the context within which the relationship between Britain, the colonial state, British tobacco manufacturers and colonial tobacco growers evolved in the post-war era. The immediate aftermath of the Second World War, wrote Charlotte Riley, 'saw physical devastation and economic dislocation across Europe.'⁵ Britain was no exception. Except for coal, 'the raw materials upon which her major industries depend[ed] [were] largely or wholly imported.'⁶ Among these raw materials was tobacco. Before the War Britain obtained most of her leaf requirements from the United States of America. The post-war scarcity of dollars warranted a change of direction.

The untenable position of Britain's post-war economic and financial situation has been well documented, hence needs no elaboration here.⁷ Suffice to note that, the post-war 'British economy was in shambles' as the war had 'played havoc with [it]', leaving it 'in a very shaky condition.'⁸ One of the major problems facing post-war Britain was to raise dollars to import both capital and consumer goods for her industries and population, respectively. One way of dealing with the problem was to restrict dollar area imports. Tobacco from America was one such import.⁹ Given her precarious position, Britain looked to her colonies for salvation. Not surprisingly, 'there was a concerted reassertion of metropolitan control over the empire in the immediate post-war period.'¹⁰ This is what David Low and John Lonsdale have termed the 'second colonial occupation.'¹¹ This move was premised on the belief that 'the resources within

⁵ Riley, 'Monstrous Predatory Vampires', 10.

⁶ Ibid.

⁷ See for instance, among others, Krozewski, *Money and the End of Empire*; A. Gamble, *Britain in Decline, Economic Policy, Political Strategy and the British State* (London: Macmillan, 1985); and J. Gallagher, *The Decline, Revival and Fall of the British Empire* (Cambridge: Cambridge University Press, 1982).

⁸ C. R. Shenk, 'Austerity and Boom', in P. Johnson, (ed.), *Twentieth Century Britain: Economic, Social and Cultural Change* (London and New York: Longman, 1994), 300.

⁹ See Colonial Tobacco. 1944-1949. Available through: Adam Matthew, Marlborough, Global Commodities, http://www.globalcommodities.amdigital.co.uk/Documents/Details/BT_64_4302, accessed 11 July 2017.

¹⁰ For the concept of the 'second colonial occupation' see D. A. Low and J. Lonsdale, 'Introduction', Low and Smith, (eds.), *The Oxford History of East Africa*, 1-64; Riley, 'Monstrous Predatory Vampires', 13.

¹¹ D. A. Low and J. Lonsdale, 'Introduction', Low and A. Smith (eds.), *The Oxford History of East Africa* (Oxford: Oxford University Press, 1976), 1-64.

colonial territories might prove essential for British regeneration.’¹² The establishment of the CPPC in 1947 should be understood against this background.

A look at the CPPC’s terms of reference reveals Britain’s approach to colonial affairs with regard to the production of raw materials production. The committee was tasked to ‘review, commodity by commodity, the possibility of increasing colonial production.’¹³ This was driven by the interests of the Empire on one hand, and ‘the present and prospective world needs and the desirability of increasing foreign exchange resources,’ on the other.¹⁴ Three key issues emerge from the CPPC’s terms of reference: imperial interests; world needs; and the need for foreign exchange. In order to safeguard imperial interests, commodities chosen for early study were for the most part those in short supply in Britain. In a move that tied up with the objectives of the Exchange Control Act, increasing colonial production was viewed as important in two regards: first, as a measure to meet the immediate dollar emergency; and second, as a long-term contribution to the stability of the sterling area and the European reconstruction plan. Consequently, any benefits to colonial producers were incidental. The interventions were essentially driven by Britain’s national interests.

While it is clear that British interests dominated and influenced the operations of the CPPC, the committee, however, appreciated that expansion of colonial agricultural production desired by the British Government was only achievable if the producers were made to ‘feel some assurance of a market for their increased production for a reasonable period of years and at reasonably remunerative prices.’¹⁵ The committee noted that colonial producers would increase the volume of their production only if they had an assurance of a market for their goods for some years to come.¹⁶ This set the broad policy framework within which negotiations with colonial producers were conducted. Reluctant to be directly involved, the British government encouraged direct negotiations between representatives of the producers and the purchasing department.¹⁷ It is precisely by this encouragement of the British government that negotiations were entered into between the TAC and the TMB in 1947.

Colonial products that generated British interest came in two categories: dollar earning commodities such as Malaya’s rubber and Ghana’s cocoa, among other products; and dollar

¹² Riley, ‘Monstrous Predatory Vampires’, 13.

¹³ Colonial Tobacco, 1944-1949. Available through: Adam Matthew, Marlborough, Global Commodities, http://www.globalcommodities.amdigital.co.uk/Documents/Details/BT_64_4302, accessed 11 July 2017.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

saving products such as colonial Zimbabwe's tobacco.¹⁸ The importance of tobacco in the British economy is evident from the place it occupied on the CPPC priority list of commodities. Together with essentials such as rice, maize, millets, fertilisers, meat, pig products, dairy products, hides and skins, hardwood, plywood and cotton, tobacco was accorded first priority status.¹⁹ In fact, it was prioritised ahead of sugar, cocoa, citrus, fruit juices and tanning materials, which came second on the priority list and tea, coffee, spices, fruit (other than citrus), which were placed third.²⁰ Given the importance accorded tobacco in Britain, and in the face of the shortage of dollars to buy it from the traditional American markets, the need to acquire it from a sterling source became urgent, a gap which was filled by colonial Zimbabwe. As the *Rhodesian Tobacco* recorded, by 1953 the colony's tobacco industry had saved Britain the equivalent of £80 million in dollar currency.²¹

At the same time, the colonial state desired increased European occupancy and settlement on farms for both political and economic reasons. As has been highlighted in the introduction, the shift to agriculture from the 1900s was premised on the need 'to attract whites from abroad for settlement on large farms.'²² Part of the reason, Colin Leys, argued, was political. European settlement was considered a symbol of white security and permanence.²³ Also, European settlement was considered to be vital in providing the means upon which the colony could develop economically.²⁴ This policy framework was maintained and implemented in a systematic manner through the Land Settlement Board, a creature of the Land Settlement Act of 1944. In terms of this Act, Government managed to settle a significant number of ex-servicemen and women returning from fighting in the war. It later expanded the scheme to cover civilians.²⁵ The colonial state's desire to increase its white population coincided with the attraction of tobacco growing, which in turn was spurred by high demand for the crop in Britain and Continental Europe. It was this constellation of interests which influenced the pace with which the colony's tobacco industry expanded. Fig. 1 below shows

¹⁸ For Malayan rubber, see Sutton, *The Political Economy of Imperial Relations*.

¹⁹ Colonial Tobacco. 1944-1949. Available through: Adam Matthew, Marlborough, Global Commodities, http://www.globalcommodities.amdigital.co.uk/Documents/Details/BT_64_4302, accessed 11 July 2017.

²⁰ Ibid.

²¹ *The Rhodesian Tobacco*, 1, (1953), 21.

²² M. Rukuni, 'The Evolution of Agricultural Policy, 1890-1990', in M. Rukuni et al, (eds.), *Zimbabwe's Agricultural Revolution Revisited* (Harare, University of Zimbabwe Press, 2006), 34.

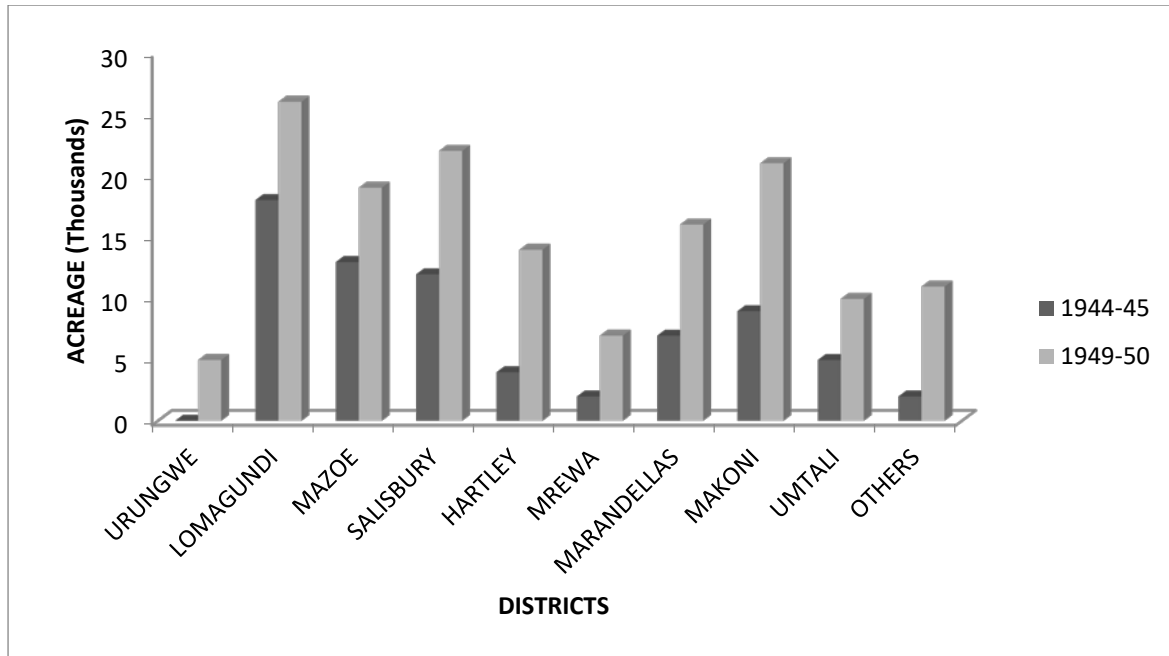
²³ C. Leys, *European Politics in Southern Rhodesia* (Oxford: The Clarendon Press, 1959), 71.

²⁴ D. J. Murray, *The Governmental System in Southern Rhodesia* (Oxford: Clarendon Press, 1970), 79.

²⁵ Dunlop, *The Development of European Agriculture*, 7; and Hodder-Williams, *White Farmers in Rhodesia*, 187.

how, over a period of just five years, production rose rapidly in key tobacco growing districts of the colony.

Fig. 1: Acreage under Tobacco, 1944-5 and 1949-50



Source: Prepared by author from statistics in P. Scott, 'The Tobacco Industry of Southern Rhodesia', *Economic Geography*, 28, 3 (1952), 189-206, 194.

Everything appeared to favour the tobacco industry, but as the events of 1947 at the auction floors revealed, there was need to stabilise the market. The next section discusses these developments in more detail.

The 1947 Debacle, London Talks, and the Segmentation of Tobacco Markets

Events of the 1947 selling season nudged both colonial producers and British agro-industrial capital into action. The 1947 post-war shortage of dollars forced Britain, Germany, France and several other countries to seek alternative supplies of tobacco in non-dollar areas, of which colonial Zimbabwe was central.²⁶ Consequently, competition from manufacturers for the colonial Zimbabwe's better grades was so intense that at the beginning of the season prices rocketed to abnormal levels. Large British buyers withdrew from the sales in protest, with the result that prices plummeted.²⁷

²⁶ Phimister, *An Economic and Social History*, 226.

²⁷ The large buyers comprised of the following members of the TAC: Gallaher, Imperial Tobacco, Rothmans, British American Tobacco, Manchester Tobacco and RJR Reynolds.

In view of these challenges, British tobacco manufacturers extended an invitation to local tobacco growers to send a delegation to Britain to discuss the future of the industry and its markets. Represented by the TMB, the local delegation went into talks with the TAC in London from November to December 1947. The Rhodesian delegation was made up of Ralph Palmer, the RTA President, Richard Harland, his deputy, Edward Harben, a senior grower and a long-standing member of the RTA Council, and the RTA/TMB secretary, John Parker. The major concern of the delegation which became their guiding principle during negotiations, was the need to stabilise the colony's tobacco industry.²⁸ The underlying aim of the delegation was to entrench Rhodesian tobacco leaf in British markets to ensure that when the protection afforded by the dollar shortage disappeared, and the sterling became fully convertible, there would be no desire on the part of the manufacturers or public to revert to the 100 percent Virginia tobacco from America.²⁹ The talks laid the foundation for the segmentation and prioritisation of the colony's tobacco markets, which are discussed below.

The London Talks

Hailed by the Chief Agricultural Economist as 'a good example of constructive foresight', the colony's position was contained in a memorandum covering what the industry considered as key issues which influenced the nature and extent of concessions they were prepared to make.³⁰ Firstly, the delegation conceded that under existing conditions of dollar shortage, it would be necessary for import permits to be enforced. This concession was made in view of the TAC's submission that the level of leaf stock among manufacturers was highly uneven.³¹ Import control was meant to ensure their equitable adjustment. However, there was a proviso to this concession: there should be some means of rapid adjustment of the permits according to official crop reports and estimates since the Government's first crop estimate was made in mid-March and the second in mid-June. Delay could put the whole system in disarray.³²

Given the prevailing conditions and the probability of intensified continental competition, the delegation conceded the need for some system of export control to guarantee British tobacco manufacturers their agreed percentage of the crop at reasonable prices. This was done by restricting other markets to the remainder of the crop after Britain had obtained

²⁸ NAZ 2570/TBC1, Vol. 1, Tobacco General, TMB Meeting Minutes, 22 January 1948.

²⁹ Ibid.

³⁰ Ibid., S. M. Makings letter to the Secretary, Department of Agriculture and Lands, 10 September 1947.

³¹ Ibid., TMB Meeting Minutes, 22 January 1948.

³² Delays in upward adjustment during the 1947 season resulted in a loss to the UK of considerable quantities of useful tobacco and to a temporary slump in the prices of grades slightly below the UK standard. In that year, import permits were originally based on the March estimate of 46 million lbs of tobacco without factoring in readjustments to the June estimate of 55 million lbs. See *ibid.*

her requirements. Without export control, competition would in all probability be so intense that prices would become grossly inflated, a process which would eventually kill the market. Although export control would certainly result in the loss of some markets, the delegation was prepared to sacrifice such markets on the altar of stability. The underlying principle the preparedness on the part of the colony's tobacco growers to forego immediate gain in the interest of creating a stable market at fair prices.

The above concessions were significant in the sense that they amounted to a gamble. First, they ran contrary to the free and unfettered auction sale system which, since its introduction in 1936, proved to be a boon for the industry. Second, this would 'undoubtedly react adversely on the colony and result in the loss of some of its foreign markets, thereby stifling competition.'³³ Despite these challenges, the delegation went ahead and made the concessions. However, some precautionary measures were adopted. To cushion the local industry, the delegation suggested a fall-back clause. The clause provided that in the event of prices falling below the 1946-7 levels, a demand for a relaxation of the export controls with a view to permitting foreign competition would inevitably arise. Ostensibly, the concessions were driven by the industry's 'desire to assist Britain to the greatest possible extent in her post-war woes.'³⁴ In actual fact, these sentiments of attachment to home appeared to have been deployed to mask the underlying economic interests of the colony's growers, which were probably the most important factor. This was evident from what the delegation demanded in return for playing their side of the bargain.

In return, the delegation requested that: a UK market for 66.2 percent of a 70 million lbs crop be always assured to the colony in the future; and the UK state a maximum of which it would always be prepared to take 66.2 percent, to be reached; within five years, and within ten years, at a consistent annual rate of increase.³⁵ In its negotiations the delegation made the above assurances the only conditions upon which they would be able to obtain growers' and Government's consent for planned production. Failing such assurances, the delegation argued, growers would not accept its recommendation for export control, and would insist on an uncontrolled market to 'cash in' on the high prices which would arise. While the delegation agreed that such action would not be in the best interests of the industry, it was apprehensive,

³³ NAZ 2570/TBC1, Vol. 1, Tobacco General, TMB Meeting Minutes, 22 January 1948.

³⁴ Ibid.

³⁵ Ibid.

especially after the previous season's unsatisfactory marketing conditions, of being able to hold the growers without some definite assurances for the future.³⁶

Although the initial request was for a ten-year agreement, the manufacturers rejected it on the basis that they could not plan ahead for more than five years. Instead, they suggested a permanent five year plan, that is, 'that each year the position should be reviewed by the two parties with a view to reviewing and planning for the ensuing five years.'³⁷ The Rhodesian delegation still gave in to this suggestion. For them, knowing British requirements for the next five years would allow for planned production, and more importantly, it would result in the permanent establishment of local tobacco in British markets. The delegation was prepared to sacrifice such markets as the Scandinavia, which, being short of dollars, were raiding the Salisbury auction floors but, in a flash-in-the-pan manner. Such actors, the Rhodesian delegation reasoned, would drop out of the market at the earliest possible time. For that reason, Rhodesian tobacco growers were prepared to sacrifice them for chances of obtaining desirable long-term guarantees from their main market.³⁸

The TAC wrote to the TMB summarising the deliberations between the two parties from meetings of the 27th of November, the 4th of December, and the 11th of December 1947 into four main points of agreement which became the letter and spirit of the London Agreement. These were as follows: The TMB's representatives would take measures to ensure that tobacco of suitable quality for the UK market was grown to an extent sufficient to provide the UK with two-thirds of the Southern Rhodesian flue-cured crop; both parties strongly favoured the system of free and unfettered auction and would return to it as soon as possible. This was subject to the provisos that there was not a further appreciable fall in UK consumption and, Southern Rhodesian flue-cured tobacco of suitable quality was available at reasonable prices. The TAC, on behalf of British manufacturers, undertook that the UK would be prepared to purchase, each year over the next five years, the colony's flue-cured crop up to a 70 million lbs crop. Even in the event of a fall in UK consumption, manufacturers would be prepared to take 40 million lbs of the colony's flue-cured tobacco annually over the next five years. Cognisant of the TMB's desire to have some assurance that there would not be a collapse in the UK's demand for colonial Zimbabwe's flue-cured leaf, and in order to provide the Board with a greater sense of security, the TAC declared its willingness to renew the present consultations

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.

from year to year with a view to setting each year a provisional five year's programme.³⁹ This effectively meant that the colony's industry would have an assurance in perpetuity from the UK as to the quantity it would take in UK grades for the ensuing five years.

In a press statement, the RTA Council urged growers to embrace the proposals.⁴⁰ According to their scheme, the offer was a considerable increase over the previous offer made by the manufacturers in July 1947, which was 200 million lbs over the next five years. Second, the Council took into consideration the fact that, for the first time in the history of the industry, the proposal guaranteed stability for the future in respect of the coveted lucrative British market which was a target of many producing countries, especially America. The industry would know what the needs of the UK were, five years in advance. This would allow growers ample time to plan when to either step up production or to cut it accordingly.⁴¹ Despite restricting the activities of other markets, export and import controls were justified on the grounds that an assured market in Great Britain was worth temporary sacrifices in some other markets. Whilst accepting the weakness of the price clause of the agreement which did not specify price floors and price ceilings, the RTA urged its acceptance on the basis that unless the UK buyers were prepared to maintain reasonable prices, the TMB remained in a position to relax such restrictions with a view to increasing competition on tobacco suitable for the UK market.⁴² Moreover, even if misfortune was to strike and consumption fell, the manufacturers would adhere to their alternative guarantee to take a minimum of 40 million lbs per year.⁴³

The Tobacco Trade Association (TTA) also supported the proposals.⁴⁴ However, there was no agreement on how to administer the export control permit (ECP) system which formed the backbone of the LA. The TTA came up with their draft scheme for consideration. In terms of their draft scheme, there would be priority markets which were not affected by export control namely; the UK market for 46 million lbs or 66.2 percent of the crop, whichever was less; the Union Quota of up to a limit to be decided by the Minister and TMB taken as five million lbs; and the local market UK range grades, estimated at about one and half million lbs. Once this had been 'set aside' and deducted from the crop estimate, the balance of the crop would come

³⁹ NAZ 2570/TBC1, Vol.1, Tobacco General, May 1947 -1949 August, TAC letter to TMB, 12 December 1947.

⁴⁰ See the Press statement in, *The Rhodesian Farmer* [Incorporating Vuka], January 14, 1948, 21.

⁴¹ *Ibid.*

⁴² *Ibid.*

⁴³ *Ibid.*

⁴⁴ The TTA was an organisation comprising of the buying section of colonial Zimbabwe's tobacco industry, that is, manufacturing concerns representatives, merchants and commissioned buyers. Prior to 1948, the Association was known as the Tobacco Trade Section of the Salisbury Chamber of Commerce. The TTA was represented in the TMB by two delegates as opposed to the RTA's three.

under export control. A blanket quota for export would be given on all non-priority markets and proportioned out to buyers in accordance with their pro-rata exports to non-priority markets over the last three years. To operationalise the scheme, buyers would be called upon to render weekly returns, giving weights and, where necessary, average prices paid for both priority markets and non-priority markets. Comparison would then be made between the average price paid by each buyer on non-priority markets and the average price paid over the whole of the purchase for the UK in any one week, and if a buyer's purchases for non-priority markets exceeded the UK average price, warning would be given to the buyer to reduce it in the following week. If the buyer's average on non-priority markets continued to be excessive, his buying would be judged to be detrimental, and his quotas would be reduced or taken away.⁴⁵

The TTA draft scheme received consideration during a board meeting of the TMB called to discuss the issue. During the meeting, different views emerged on its practical applicability. For instance, C. A. Barron was of the view that to base quotas for buyers for non-priority markets on the past three years purchases would be problematic. According to him, the challenge arose in the changed buying position in the last few years which was reflected by the fact that some buyers had come in, and others had gone out in purchasing for certain markets. Secondly, there were continual fluctuations in quantities purchased for certain markets, and in the handling of such purchases. In agreement with Barrow was L. H. Maxwell who felt that to arrive at a fair allocation the quotas to individual buyers must be based on two factors, that is, the past exports, and the orders held on the current season.⁴⁶ While this suggestion sounded plausible, R. D. Palmer, however, indicated that a problem would arise in the implementation of this scheme. According to him, it would be difficult to implement the scheme because of reports from TTA that buyers were reluctant to give information in respect of orders held during a particular season.⁴⁷

After intense deliberations, the Board finally came up with an agreed export permit scheme, more or less along the lines of the TTA draft, and whose tenets were as follows; (a) priority markets would be the UK market up to 46 million lbs or 66.2 percent of the crop, whichever was the less, the Union quota market up to such figure as would be agreed between the Ministers of Agriculture for the Union and colonial Zimbabwe, and the local market whose requirements would be ascertained by the Department of Agriculture from all manufacturers.

⁴⁵ NAZ 2570/TBC1, Vol. 1, TMB Meeting Minutes, 11 March 1948.

⁴⁶ Ibid.

⁴⁷ Ibid.

In terms of the provisions of this scheme, there would be no restriction in obtaining ECPs for the first and second categories as purchases for the first, (UK), would tally with import permits into the UK issued by the BOT, while purchases for the second, (Union), were restricted by the Union quota; (b) After estimating the weight and quality of the crop, the weight being taken on the official crop report, the balance of the crop after allowing for the needs of the priority markets would be estimated. A 75 percent of the estimated quantity of the balance of the crop would be allocated amongst buyers operating on the floors in proportion to their exports over the past three years to the non-priority market bloc. The remaining 25 percent would be allocated by the Board to buyers for non-priority markets 'in consideration of such firm orders as buyers could substantiate by documentary evidence to the Department of Agriculture.'⁴⁸

In addition to the above criterion, other factors were also considered. For instance, in deciding candidates for ECPs and quantities involved, due consideration would be given to the necessity of encouraging certain markets which were considered of particular importance to the colony. There were conditions to the granting of ECPs. Buyers would be informed that ECPs would be granted, provided their purchases were not considered detrimental to the interests of the UK market. If the Minister, on the advice of the TMB, considered that, a particular buyer's purchase was detrimental to the UK market, the quantity for which he would be given ECPs would be liable to be reduction. Any such reduction would be re-allocated to other buyers at the discretion of the Board. Buyers would be required, weekly, to submit to the Department of Agriculture, the following information in regard to their previous week's purchases; green weight and average price of purchases for the UK, and green weight and average price for the total of their purchases for the non-priority markets. On the recommendation of the Board, the Department, might, if it considered it advisable, call for information pertaining to the weight and average price paid for purchases for any particular non-priority markets, the green weight bought for the Union quota and the green weight bought for the local market.⁴⁹

Judging whether a buyer's purchasing activities for the non-priority markets were detrimental to the UK market or not, involved the Board making comparisons between the averages paid for UK purchases. If in one week a buyer's average was materially in excess of the UK average price, his attention would be drawn to the matter, and if thereafter he did not appear to be adjusting it, the attention of the TMB would be drawn to his activities and, if

⁴⁸ Ibid.

⁴⁹ Ibid.

thought advisable, a recommendation would be made to the Minister for a reduction of his export permits. Buyers would be required to surrender such quantity of the non-priority markets allocations as they might not require. If any quantity was so surrendered, it would be re-allocated to other buyers. The Board reserved the right, after consultation with the TTA and RTA, to make such alterations to this ECP scheme, as it might from time to time deem advisable in the light of developments during the season. The ECP sub-committee suggested that export control would be called for if the crop was estimated at 75 million lbs or less. To operationalise the scheme, the Acting Chief Tobacco Officer was tasked to ask for returns from buyers showing their exports by countries of destination over the last three ‘tobacco’ years, that is, 1st April to 31st March in each year, these to be checked against returns from the Department of Statistics. All local manufacturers would be requested to put in estimates of their requirements.⁵⁰ On this basis the LA came into operation for the 1948 season.

The 1949 Australian Agreement

Well before the London Agreement, the RTA had already shown interest in entering the Australian market. At the instigation of the association, the colony’s Prime Minister wrote his counterpart in Canberra in March 1947, inviting six Australian tobacco manufacturers to send their representatives to his country during the coming tobacco sales season. The expenses of the tour were to be fully paid for by the RTA.⁵¹ Unsurprisingly, when in 1949, BAT (Australia) proposed to have an agreement similar to the London one, the grower side of the TMB, represented by its president, Palmer, was quick to support it. But this was not without contestations by the TTA members in the TMB.

Arguing from the TTA’s point of view, Barron, for instance, was averse to the idea of tying up an agreement with a single buyer which he thought would set a dangerous precedent. The same stance was taken by G. Kileff who was of the view that no more agreements were to be entered into. Entering into other agreements would tie up a huge portion of the entire crop to an extent that there would be no auction sales to talk about.⁵² Kileff’s worries can be understood in the context of his status as the owner of K. Kileff Tobacco Company, one of the prominent tobacco merchant companies in colonial Zimbabwe. As Peter Armstrong has shown, K. Kileff Tobacco Company had started penetrating the Australian market soon after the

⁵⁰ Ibid.

⁵¹ NAZ, Box 27/3/3-6, File 1214/1, Australia, Tobacco Quota and Agreement, 1947 -1961, Telegram from Rhodesian Prime Minister to Australian Prime Minister, 15 March 1947.

⁵² NAZ 2570/TBC1, Vol. 1, 11 March 1948.

Second World War through the work of Ginger Freeman.⁵³ With its vested interests in the country, the company feared that marketing arrangements like the LA – with its documented prejudice against small manufacturers and merchants – would disrupt its business. Sharing the same concerns, another member of the Board, D. D. Brown was totally opposed to further agreements arguing that the UK was an exception on the basis that it had been the colony's greatest market in the past and was potentially their greatest market for the future. That earned it special terms and consideration, unlike Australia which could grow tobacco.⁵⁴

The general picture of consensus painted by some writers, particularly Clements and Harben and Mbanga, between the growing and buying sections of the TMB was put to test during deliberations on the Australian question. Contrary to the submissions of Barron, Kileff and Brown who represented the buying side, the growers represented by Palmer argued that 'Australia was a market which they were endeavouring to build in quantity and in quality in order to try and supplant American leaf, and in order to give alternative permanent market for high grade leaf.'⁵⁵ After deliberations, a compromise agreement almost similar to the London one was crafted. In view of the fact that, unlike in Britain, Australia had no association of manufacturers in the mould of the TAC, the terms of the Agreement stipulated as follows: manufacturers were to sign the agreement individually; each buyer to make its own buying arrangements, but with BAT as the main agents; BAT and other export permits for Australia to be reduced pro-rata; and the allocation for Australia was pegged at six and half percent.⁵⁶

The Union of South Africa Market

The South African market presented a different scenario from all other markets. In terms of a bilateral agreement between the governments of colonial Zimbabwe and the Union a duty-free quota, the quantity of which would be agreed between the countries' Ministers of Agriculture, would be set each season. The difficulty for this market was that it depended on the extent of produce that Union growers achieved in any given season. Because it fluctuated from season to season, this made it difficult for the RTA to plan production accordingly. This presented a headache on how to balance its requirements against those of the preferred British market. Still remembering how, in 1944, it rode on its duty-free privilege to outbid them, the British manufacturers remained resentful of the Union.⁵⁷ The 1944 'raid' did not amuse colonial

⁵³ Armstrong, *Tobacco Spiced with Ginger*.

⁵⁴ NAZ 2570/TBC1, Vol. 1, Tobacco General, 11 March 1948.

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ Clements and Harben, *Leaf of Gold*, 132-3.

Zimbabwe's tobacco industry either. With Britain's share of their production at 44 percent, down from 87 percent in 1940, and in view of the fact the Union desired to expand its own crop, and therefore was a potential rival, colonial Zimbabwe's growers resented any action which would weaken their position in the more lucrative and permanent UK market by trying 'to meet the temporary requirements of a potential rival.'⁵⁸

Four years later, the politics of the Union market resurfaced. In 1948, it did not declare a quota. Incensed by that, Maxwell labelled it an unstable market not fit for priority market status. While conceding that the market was important to the industry, he still maintained that its conduct in the past years did not qualify it as a priority market. In response, Parker argued that in view of the fact that for the most part Union purchases were controlled by the Union quota which had fluctuated from year to year, and that only certain buyers purchased for the Union, it would be difficult to 'blanket its requirements in other export market requirements.'⁵⁹ In order to balance out, Parker continued, it was essential to set aside a stipulated amount for the Union, in the same way as they set aside quantities for priority markets. But he agreed with Maxwell that, due to its characteristics, the market needed not necessarily be called priority, but still maintaining that 'it was essential to the industry to keep a foot in the door of the Union.'⁶⁰ This was because, 'in certain of their blends Rhodesian tobacco was essential, and they must obtain the tobacco to keep these blends going.'⁶¹

Apart from strictly tobacco matters, it was Government's view that 'the country wanted to export as much as possible to the Union (provided this was not detrimental to the British market), in order to balance trade with the Union.'⁶² This was in recognition of the fact that the colony generally had an adverse trade balance with the Union. But this did not blind the TMB chairman's view on the nature of the Union market. Describing it as '95 percent politics and 5 percent tobacco', he characterised it as 'a chancy market.'⁶³ This, he further argued, was because despite that 'Union manufacturers wanted to carry increased stocks, the Union Tobacco Control Board (UTCB) allowed them only 15 months stocks.'⁶⁴ He further revealed that 'it was the basic policy of the UTCB that they did not want any Rhodesian tobacco.'⁶⁵ In such circumstances, he added, 'it would be unwise to believe that the Union Market was

⁵⁸ *Ibid*, 133.

⁵⁹ NAZ 2570/TBC1, Vol. 1. Tobacco General, TMB Minutes, 1 April 1948.

⁶⁰ *Ibid.*, May 1947-August 1949.

⁶¹ *Ibid.*

⁶² *Ibid.*

⁶³ *Ibid.*

⁶⁴ *Ibid.*

⁶⁵ *Ibid.*

expanding, especially as politics in the Union were against it.’⁶⁶ The seriousness with which the Board took the Union market matter was evident from one of the Board’s resolutions. It was resolved that Barron, Palmer and the Chairman should form a deputation which would go to the Rhodesian Minister of Agriculture to request him to contact his Union counterpart over the Union market. Top on the agenda of the deputation was the need for the minister ‘to liaise with his Union counterpart to stabilise the Union imports so that they could be spread over several years thus covering both good and bad crops in the Union.’⁶⁷ Concurrently, the Board would try to exert pressure on the UTCB to increase stocks from 15 months to 24 months.⁶⁸

The politics of balancing Government interests, the Union quota and other markets, especially the ‘agreement markets’ of Britain and Australia exercised the minds of the TMB throughout the period of study for this chapter. The matter came to a head again in 1955 when the 1948 Customs Agreement between the Union and colonial Zimbabwe was due to expire, prompting negotiations for its extension. In a letter to Morten, Parker disclosed how the British manufacturers were enraged by the TMB’s deliberations with the Union over the tobacco quota under the ambit of a new customs agreement. ‘The TAC sent us a rather beastly cable which upset everyone’, Parker wrote, ‘rubbing in like mad how they were going to suffer’, due to the Union tobacco quota.⁶⁹ The real difficulty, Parker further argued, was that it was impossible for the TMB in their cable to the TAC to make it more explicit that their Government, for strategic reasons was insisting on consideration for the Union.⁷⁰ In a separate letter to Spearing on the same issue, Parker indicated that concluding an agreement with the UTCB was preemptive. Otherwise had they not done so ‘Government would have been bound to have given them more than [they] did.’⁷¹ As such, he continued, ‘What the delegation did was to stop a very heavy raid on this year’s crop with the possibility of another in next year’s crop.’⁷² It was a delicate balancing act.

The TMB chairman’s assertion that the Union matter was ‘95 percent politics and five percent tobacco’ revealed the dominance of political and strategic considerations in the relationship between the two neighbours.⁷³ In his letter to Spearing, Parker explicitly reiterated this point. The TAC ‘must be made to realise that the Government has bigger problems and

⁶⁶ Ibid.

⁶⁷ Ibid.

⁶⁸ Ibid.

⁶⁹ NAZ, Box RH27/2/1-RH27/3/2, File RH 27/2/1, 1956-7, J. S. Parker letter to Morten, 2 May 1955.

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² Ibid.

⁷³ NAZ 2570/TBC1, Vol. 1, 01 April 1948.

responsibilities than we have’, he noted, and because of that ‘must occasionally overrule our agreement.’⁷⁴ In fact, Parker continued:

What the T.A.C could not be told is that it is essential (and this should have been obvious to them) that being neighbours and despite different ideologies, we are very dependent on each other and must keep friendship. Such things as Defence, Security business, railway co-operation and a hundred and one other similar things make it of paramount importance ... [the Union of South Africa] always come to our rescue as far as possible over maize if a shortage occurs here, dairy goods, dairy cattle and so forth.⁷⁵

Given this, Parker noted that although the decision to engage the Union over the duty-free quota might ‘have been a bit unpopular with the TAC and Australia’ it had to be done. ‘As we are now going to have yearly talks between the two Boards’, he said, ‘I personally think that it is quite possible the agreement may go for longer than the next three years, even if for a reduced quantity.’⁷⁶ Perhaps, more important for both the local industry and British manufacturers, this move meant that the Union ‘won’t be able to raid us again as they did in 1945 and wanted to do this year.’⁷⁷ The TMB had the unenviable task of balancing local, regional and international dynamics in an effort to carve its niche in the global tobacco value chain. At the same time the Board had to contend with other non-priority markets as they were affected by the implementation of the export control permit system.

The Export Control Permit System and Non-Priority Markets

The operation of the export control permit scheme in respect of non-priority markets was not without its problems. Like in the Union case, this involved balancing competing interests; merchants and small manufacturers versus big manufacturers. The TMB was well aware of the fact that, ‘[t]he smaller people made for competition and helped to spread the popularity of [their] tobacco.’⁷⁸ On that basis they should be allowed certain latitude to buy above their firm orders. The fear was that if they were unable to obtain a certain amount of latitude they might not be prepared to take out a licence at all. Their interests had to be delicately balanced with those of the TAC with its bias towards big capital.

As was evident in Morten’s 1949 annual report, the friction between big and small manufacturers emanated from the latter’s discriminatory attitude. As the official representative of British manufacturers, the TAC surprisingly represented only 80 percent of the industry

⁷⁴ NAZ, Box RH27/2/1-RH27/3/2, File RH 27/2/1, 1956-7, Parker letter to Spearing, 29 March 1956.

⁷⁵ Ibid.

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ NAZ, RH 27/2/1, 1935-1951, Parker’s letter to Morten, 20 June 1951.

comprising of predominantly big tobacco manufacturing concerns, to the total exclusion of the remaining 20 percent. This exclusion of the small manufacturers was a matter of concern to Empire producers. This was so because small manufacturers were considered more loyal in view of the fact that prior to dollar tobacco restrictions, they had had no vested interests in American tobacco. Their 'usings' of Empire leaf were far larger, in proportion, than the bigger manufacturers.⁷⁹ What irked small manufacturers the most was that when the heavy cuts in American supplies were imposed, big companies which previously used on American leaf were allocated larger proportions of Empire leaf ahead of the small players. Yet, small manufacturers had always supported leaf from the empire over the years.⁸⁰ Excel Tobacco Limited of the UK must have represented the feelings of many, in its letter of complaint to Morten. 'Our misfortune', they wrote, 'is that our earlier consumption of dark tobaccos gave us no entitlement to quota for scarce tobaccos.'⁸¹ After 'considerable negotiations with the Board of Trade' it was conceded that 'circumstances were exceptional' in recognition of which 'an extra special quota of 33,000 lbs' was granted to them. When their request was turned down by Salisbury, they complained; 'We feel that this is rough treatment to a small firm who have been 100% Empire users all these many years.'⁸²

The RTA's position towards merchants and small manufacturers was ambivalent. On one hand, they were very aware that unless the merchant had more opportunity of extending his business, there was no incentive for him to extend his packing plant and take on extra buyers. This would weaken competition on the floors at a time when production was expanding.⁸³ The 'Vasco da Gamas' of the industry, merchants embarked on endless 'voyages' in search of new markets, and when they found them they supplied them with Rhodesian leaf.⁸⁴ Nothing in print demonstrates the significance of these 'voyages' by merchants in colonial Zimbabwe's tobacco industry better than Armstrong's biography of one of Rhodesia's key 'tobacco men', H. W. 'Ginger' Freeman, the K. Kileff Tobacco Limited's salesman.⁸⁵ A sketch of the professional life story of 'Ginger' Freeman, underlines the significance of merchants in the development of the colony's tobacco industry. In true 'Vasco da Gama' style, Ginger crisscrossed the whole of Europe in the rubbles of war to sell his company's tobacco. In 1948

⁷⁹ Ibid.

⁸⁰ Ibid.

⁸¹ Ibid.

⁸² Ibid.

⁸³ Ibid.

⁸⁴ For a discussion on the role of merchants in colonial Zimbabwe's tobacco industry, see an article by one of the merchants; R. A. Noakes, 'Functions of a Merchant Buyer', *Rhodesian Tobacco*, December 1954, 29.

⁸⁵ See Armstrong, *Tobacco Spiced with Ginger*.

he travelled to Germany, Czechoslovakia, France, Belgium, Holland, Italy and the whole of Scandinavia. Everywhere he went he managed to get new customers ‘who placed large orders for his company’s tobacco.’⁸⁶ Significantly, the contacts and connections made during this period were to prove crucial during the UDI sanctions period when, as the chairman of the Tobacco Corporation, Ginger used some of them to facilitate the clandestine selling of colonial Zimbabwe’s tobacco.⁸⁷ Given this, the RTA could not ignore merchants.

But much as the RTA appreciated the importance of merchants and by extension small manufacturers, they were compromised by their relationship with the TAC. They were only prepared to assist small manufactures and merchants only in so far as that did not in any way interfere with their relationship with the TAC. In a letter to Morten, the RTA Secretary indicated that he ‘personally [felt] that [they could not] put too much faith in the smaller manufacturer, or the merchant in respect of the UK market.’⁸⁸ Instead, their ‘main future there [that is, in the UK] lies with the big man, further suggesting that ‘although [they] must do whatever to help the small man, they ‘must not lose sight of his incapacity to help [them] a great deal.’⁸⁹ For those reasons, he warned that they ‘must try and avoid upsetting the TAC’ whilst doing all they could ‘to help the merchant get a bigger non-priority market and foster continental markets.’⁹⁰ That was the delicate nature of the task for the industry in its attempts in trying to balance the interests of the two groups against its own interests.

The challenges in the administration of the export control scheme were not limited to small manufacturers and merchants. On the 8th of March 1948, the BAT wrote to Morten raising its concerns. ‘We have orders for 14 million lbs of Rhodesian tobacco in grades representing approximately, the run of the crop’, they disclosed.⁹¹ But that quantity was ‘exclusive of Union and local purchases.’⁹² Their concern was that ‘the Union and UK preferential buying of higher grades may not leave sufficient of these to give [them] a fair run of the crop.’⁹³ If that were to happen their ‘Associates would ... be forced to cut purchases of lower grades proportionately, however deplorable the effect on their stocks. As the largest and most consistent buyer of Rhodesian leaf for markets other than the UK’, they suggested that they should be ‘entitled to

⁸⁶ Armstrong, *Tobacco Spiced with Ginger*, 65.

⁸⁷ For a detailed coverage of Ginger Freeman’s activities, see *Ibid.*, 63-90.

⁸⁸ *Ibid.*

⁸⁹ *Ibid.*

⁹⁰ *Ibid.*

⁹¹ NAZ, 2570/TBC1, Vol. 1, BAT letter to Morten, 8 March 1948.

⁹² *Ibid.*

⁹³ *Ibid.*

special consideration that would reclassify them as a priority market.’⁹⁴ In response, Barron felt that for any export control to be effective it must not be by buyers, but by countries of destination. He had understood that one of the main objects of export control was to endeavour to create a stable market at fair prices, and to this end prevent any non-priority market scrambling for its current requirements.⁹⁵

A short crop in the 1950-51 season further exposed glaring weaknesses of the export control system adopted by the TMB. Instead of the 75 million lbs she had undertaken to buy, Britain obtained only 48 million lbs. At the same time non-priority markets were enraged as they alleged that they were not fully recognised, charging that they were only resorted to as ‘an outlet for low quality leaf’ rejected by Britain.⁹⁶ ‘The danger here’, Hooper observed, ‘was that the long-term interests of the industry could have been jeopardised had other markets not been able to bid for and secure a larger proportion of the better quality offerings.’⁹⁷ Against this background, the TMB Secretary wrote to the TAC advocating for certain proposals for the revision of the LA for the year 1952.⁹⁸ Chief among the proposals was the need for the TAC to agree to the lifting of export control permits for the 1952 selling season with the question of their re-imposition to be re-considered between the parties from year to year. This was to be taken as a test case and if workable controls would be completely abandoned. As it were, the export control system was finally abandoned in 1953. In response, the TAC agreed to the proposal, and by copy of their letter of the 10th of January 1952, the LA was accordingly amended.⁹⁹ Despite its challenge, the export control system worked, and the performance of the tobacco industry was impressive as compared to other commodities.¹⁰⁰ But, focusing on the interactions between the TMB and the TAC, though very revealing, however, tends to mask different layers of contestations over the letter and spirit of the Agreement. Subsequent sections grapple with these and related matters.

Beyond the Boardroom: The London Agreement and Ordinary Growers’ Voices

Restricting oneself to the boardroom deliberations of the TMB, RTA and TTA, fails to capture the different dimensions of contestations over markets. From its onset and during implementation, not everyone supported the LA unquestioningly. This section goes beyond the

⁹⁴ Ibid.

⁹⁵ NAZ, 2570/TBC1, Vol. 1, TMB Meeting Minutes, 11 March 1948.

⁹⁶ Hooper, ‘The Political Economy’, 89.

⁹⁷ Ibid.

⁹⁸ NAZ, S2521, MN8, File X, TMB, Minutes of Meetings, TMB Secretary’s letter to the TAC, 14 December 1951.

⁹⁹ Ibid., TAC letter to TMB, 10 January 1952.

¹⁰⁰ See P. Scott, ‘The Tobacco Industry’, 2015.

activities of the RTA to examine ordinary growers' views on the London and related agreements, which regulated the tobacco marketing landscape in colonial Zimbabwe. This is meant to capture the different voices of stakeholders in the tobacco industry with a bias towards ordinary growers, to demonstrate that while it is true that the RTA represented tobacco interests, their stance did not always reflect what everyone thought was the best for the industry.

Addressing a lunch hour meeting of the Rhodesia National Affairs in Salisbury in 1947, Winston Field, a former RTA President, and later President of the colony, was skeptical of the LA on the basis that the 'whole future of the Rhodesia Tobacco Industry would be tied up with England.'¹⁰¹ He further warned that the industry had 'no right to neglect alternative markets.'¹⁰² Field had no illusions about Britain's interests. For him there was nothing altruistic about the interest that Britain was showing in the development of its African territories. Instead, colonial development schemes, he argued, were designed to save or earn dollars for Britain and for that reason British manufacturers would, for as long as the dollar crisis persisted, look up to Rhodesia for the supply of tobacco.¹⁰³ This ties up with both Riley's conclusion that one of the key aims of postwar colonial development in British Africa was 'to increase the production of raw materials, to aid the reconstruction of the metropole and to earn dollars on the international markets', and the CPPC's terms of reference.¹⁰⁴ Field's sentiments were echoed by Morten two years later. For him, it was 'unwise to tie too much of our tobacco to the British market.'¹⁰⁵ This was because 'competitors in this market, whether from States or the Empire [would] go on with their efforts to recover lost ground.'¹⁰⁶

Criticism of the agreement was not restricted to distinguished individuals like Field and Morten. Ordinary growers also had their views which they often aired through letters to the editors of the *Rhodesia Herald*, the *Rhodesian Tobacco Journal*, *Rhodesian Tobacco* and related publications. These voices are missing in accounts by Clements and Harben and Mbanga who toed the official line which tended to over-glorify the leadership of the industry. A sample of such letters provides a window through which to appreciate the fears, anxieties and expectations of a cross-section of stakeholders in the tobacco industry. To confirm Hodder-Williams' assertion of the emergence of a heterogeneous class of farmers, one Knill from the

¹⁰¹ *Rhodesia Herald*, 22 November 1947.

¹⁰² *Ibid.*

¹⁰³ *Ibid.*

¹⁰⁴ Riley, 'Monstrous Predatory Vampires', 218.

¹⁰⁵ NAZ 2570/TBC1, Vol. 2, Tobacco General, 1949 January 1947-1949 December 16, London Tobacco Representative Annual Report, 1949.

¹⁰⁶ *Ibid.*

tobacco district of Marandellas was one such voice.¹⁰⁷ In a letter to the editor of the *Rhodesian Farmer*, he raised a number of questions about the agreement and its impact on stakeholders. Sarcastically querying the term, the ‘gentleman’s agreement’ to describe the Anglo-Rhodesian tobacco agreement, he rhetorically asked if the big British tobacco manufacturers who wielded their massive muscles during the 1947 season to scuttle auction sales, could justifiably be called ‘gentlemen.’ He also had issues with the prospects of competition under the new arrangement and the related question of prices.¹⁰⁸

At a meeting of the Bindura Farmers’ Association, and, in protest against the low prices for low-grade tobacco, Nicholle Strong, moved a motion for the scrapping of ‘all control on export permits ... to throw open the market on low grade tobacco to all buyers.’¹⁰⁹ The significance of Strong’s motion was that it exposed the mixed feelings and divided opinions that ordinary growers in Bindura had over the LA and its related export control system. The motion was defeated by a very slim majority of only three members.¹¹⁰ Strong was not alone in his opposition of the LA. D. A. Edwards also added his voice against the agreement. According to him, ‘So long as the agreement [contained] vague clauses about quality, fair prices and suitability of our tobacco ... [it could] never be in the interests of growers.’¹¹¹ In an indictment of the RTA leaders, he added that ‘so long as Mr. Harland and his Executive continue to broadcast their personal views on prices, whilst they [were] supposed to represent the growers; it would be silly to expect the buyers to give higher prices than those paid recently.’¹¹² In a show of lack of confidence in the RTA leadership he intimated that ‘It [was] about time ... growers had some new blood on the Executive of [their] Association.’¹¹³ The same attack on the LA’s vague clauses on ‘quality’ and ‘price’ was further advanced by, R. E. Forbes of Headlands. Arguing that ‘the London Agreement in its present form [was] problematic’, he suggested the replacement of the vague price and quality clauses ‘by a definite

¹⁰⁷ See Hodder-Williams, *White Farmers in Rhodesia*, 190. Hodder-Williams observed that farmers were differentiated by length of residence, affluence, and sometimes national origin. In such a case, it goes without saying that their views could not be uniform. They reflected the heterogeneity of the farmers as each would be expected to advance views shaped by their experiences, and in general conformity with the dictates of their distinct interests.

¹⁰⁸ See *The Rhodesian Farmer*, 13 January 1948.

¹⁰⁹ *Rhodesia Herald*, 11 July 1951.

¹¹⁰ *Ibid.*

¹¹¹ *Ibid.*, 3 August 1951.

¹¹² *Ibid.*

¹¹³ *Ibid.*

grade of tobacco and a minimum price which should at least equal the price which it costs to produce tobacco.’¹¹⁴

Another voice also came from Headlands. One Mr. Le Roux asked, ‘What assurance do we have that potential buyers will attend our sales if the only attraction be that tobacco ... unwanted by buyers under the Agreement?’¹¹⁵ He further queried if ‘the same number of buyers [would] compete as would have been the case in the open market.’¹¹⁶ As far as he was concerned the Agreement was an albatross around the neck of the industry and should be therefore cancelled to save the growers from being weighed down by it. Le Roux bemoaned how the agreement denied growers an opportunity to reap benefits from the 1949 devaluation of the sterling. Contrary to Harland’s view that devaluation ‘was a second godsend’ to colonial Zimbabwe’s tobacco industry, Le Roux argued that as long as the Agreement was in place, that could not be true.¹¹⁷ According to him, if devaluation was ‘a godsend’ on the basis that it drove the UK away from the American market, ‘then there was no further necessity for any agreement to ‘tie up the major portion’ of their crop.’¹¹⁸ Responding to Harland’s call for sacrifice, he queried why that should be necessary ‘if the old story about supply and demand be true’, and further asked ‘why prices [should] be sacrificial when the supply [was] short.’¹¹⁹ Instead, he argued, prices on the auctions were not reasonable. Because of that, he called for invoking of the escape clause of the LA, which reserved the TMB’s right ‘to take steps to have export regulations lifted and thus throw the market open’ if prices were deemed to be unreasonable on the auction floors.’¹²⁰

On the other hand, there were also some ordinary growers who were supportive of the agreement. Nigel Philip of Avondale represents this group. Acknowledging that the industry’s progress over the years was ‘subjected to a series of booms and slumps’ he wrote in support of the agreement. According to him, it was important to appreciate the centrality of the agreement in the colony’s tobacco industry, before any criticism could be leveled against it. ‘[T]he idea behind the agreement’, he argued, was ‘to nurse the British market [in order] to secure a stable market for Rhodesian tobacco.’¹²¹ In such circumstances he called upon fellow growers to ‘be

¹¹⁴ *Tobacco, August 1951, 57.*

¹¹⁵ *Ibid.*, 52.

¹¹⁶ *Ibid.*

¹¹⁷ *Ibid.*, 55.

¹¹⁸ *Ibid.*

¹¹⁹ *Ibid.*

¹²⁰ *Ibid.*

¹²¹ *Rhodesia Herald*, 15 August 1951.

prepared to sacrifice much in order to secure stability' in the prices of tobacco, in the long-term interests of the industry.¹²²

The RTA, through its President Harland, made a spirited defence of the agreement. Putting their feet firmly on the ground, the RTA Council reiterated the view that the main purpose of entering into the agreement was to provide the industry with sufficient time to establish a proportion of their tobacco in the standard blends of cigarettes on the UK market and to accustom the general public to the flavor of the new blend. This, he added, was so that when the protection afforded by the dollar shortage disappeared, there would be no desire on the part of the manufacturers or public to revert to the 100 percent American Virginian cigarette. As far as Council was concerned, the protection afforded by sterling inconvertibility was essential in stabilising the local tobacco industry. It was very clear in the minds of the leadership that once the day of convertibility of sterling arrived, the protection of dollar shortage would vanish. The colony's tobacco industry would have to compete on even terms with American tobacco, with only the protection of the now small Preference on Empire tobacco to assist. Thus, the stability that the Agreement brought was considered so crucial that it outweighed all the negative impacts it created. While the controversies surrounding the operation of the agreement were unavoidable, the new dispensation brought about as a result of the relative stability had far reaching impact on different facets of the tobacco industry. One such area was production. The supply side responded positively to the relative stability ushered in by the conclusion of the LA.

The general upward trend in production, number of growers, yield per acre and related indicators has been well documented. Scholars have fully captured these through meticulous statistical representation in both table and graph forms.¹²³ A perusal of different data sets from published primary sources such as the Agricultural Section of the Central African Statistical Office's Annual Reports on the Agricultural and Pastoral Production of Southern Rhodesia, Department of Agriculture's Annual Reports, and the TMB Annual Reports confirm the upward trend in production. Of course, variations emerged as a result of factors such as climatic conditions, particularly the droughts of 1947 and 1951. The general upward trend in profitability began to change in the mid-1950s, with the fall of prices of tobacco on the

¹²² *Ibid.*

¹²³ See Mbanga, *Century of Gold*, 26-7. She provides a comprehensive 'Statistical Summary of Flue-cured Tobacco Auction Sales, 1936-1990' under the following headings; Year, Number of Growers, Area under tobacco, Mass produced, Value, Average price per kg, Yield per acre, and so forth; and Dunlop, *The Development of European Agriculture* provides also detailed statistics in a Statistical Appendix covering 11 pages from page 61-72. Other writers such as Phimister, Haviland and so forth, provide statistics for different periods.

Salisbury auction floors. This culminated in the 1956 confrontation between buyers and growers over prices. The ensuing section focuses on these new dynamics in the 1950s.

From a Seller's to a Buyer's Market: Towards the 1956 Crisis

Statements by three different stakeholders in the industry on separate occasions go a long way to demonstrate the realisation that the marketing landscape was changing. Charles Taberer, a member of the TTA, in December 1953, made a revealing observation about the state of the tobacco market. According to him, the colony's tobacco industry had 'reached the crossroads' where the 'seller's market' had mutated into a 'buyer's market.'¹²⁴ With the artificial umbrella of dollar restrictions diminishing, the local industry was exposed to what Morten in September of the same year had referred to as the 'chilly blast of world competition.'¹²⁵ A leading merchant buyer, Gregory Salzman, reinforced this a few months later when he observed that 'the hey-days when anything sold out at ceiling prices' had unfortunately come to an end, a position shared by Evan Campbell, the newly elected RTA President.¹²⁶ 'The Honeymoon has ended', Campbell bluntly declared, referring to the changing situation in the relationship between manufacturers and growers.¹²⁷ Apparently, these observations accurately captured the build-up to the 1956 crisis when for the first time since the signing of the London Agreement, buyers and growers had sharp differences over leaf prices on the auction floors, resulting in hundreds of growers tearing tickets in protest.¹²⁸ The general feeling of the ordinary grower was succinctly captured by the *Rhodesia Herald* as follows:

This year's auction prices make it all too clear that a "fair price" to the buyer means the lowest figure to which he can drive down the price in a buyer's market, such as we have this year, a market under the control of four or five outstandingly strong buyers.¹²⁹

To understand the shift in the balance of marketing power, it is pertinent to note that although 'manufacturers in the UK and elsewhere [had] ... sought a portion of their requirements in [colonial Zimbabwe], it [was] only since the dollar shortage curtailed their purchases from the US and Canada that they [had] come to rely on Rhodesia to supply about one-quarter of their total needs.'¹³⁰ Addressing a meeting in Gwelo, Campbell reinforced this. He said, 'last year and for five or six years before that we were in a favourable position because

¹²⁴ *Rhodesian Tobacco*, December 1953, 11.

¹²⁵ *Ibid.*, September 1953, iii.

¹²⁶ *Tobacco*, March 1954, 10.

¹²⁷ *Ibid.*, May 1954, 48.

¹²⁸ Clements and Harben, *Leaf of Gold*, 160. It was the practice for growers to demonstrate their displeasure with offered prices by tearing tickets bearing the offers and attached to individual tobacco bales.

¹²⁹ *Rhodesia Herald*, 19 April 1956.

¹³⁰ *The Citizen*, 5 October 1954.

of the restriction of dollars to the UK and on the Continent. Then convertibility of sterling was a thing of the future and our tobacco was in constant demand.’¹³¹ Evidently, manufacturers’ shift towards colonial Zimbabwe as a source of tobacco was forced on them by the global financial climate, particularly the shortage of dollars and the resultant inconvertibility of the sterling. In this connection, the fate of colonial Zimbabwe’s tobacco industry was intricately tied to that of the convertibility or otherwise of the sterling. It was in this context that the *Citizen* newspaper described the improving dollar situation in Britain in the mid-1950s as ‘the only cloud on the Rhodesian tobacco horizon.’¹³² The relaxation of the dollar restriction during this period tilted the scale against colonial Zimbabwe’s growers as manufacturers could increase their dollar purchases from America.

As the 1956 auction sales season approached, colonial Zimbabwe’s tobacco growers were in a buoyant mood. They had produced a record crop whose quality was unprecedented according to the RTA. The projection by George Addicott, editor of the RTA’s quarterly review, *Rhodesian Tobacco*, was that if the 1955 average price was maintained, the 1956 crop would sell for £26.5 million, an increase of £5 million in one year.’¹³³ ‘Although the prices paid for some grades [would] inevitably reflect the easier supply position’, Addicott added, ‘the general quality of the crop [was] undoubtedly higher than ever before’, hence prices were expected to remain firm.¹³⁴ Addicott’s projection concluded on a very positive note. ‘It is the general hope that this year’s sales will show the first big advance of Rhodesian tobacco in foreign markets’, he declared. However, opening the 1956 auction floor sales, M. Metcalf, the UK High Commissioner in the Federation, sounded a bit more cautious. ‘The prolonged continuation of what amounted to a protected market for Rhodesian tobacco in the United Kingdom’, he warned, ‘could lead to a false sense of security, adding that ‘[n]o one can be certain whether manufacturers [wanted] to increase their dollar proportions if and when restrictions on dollar tobacco came to an end.’¹³⁵

Contrary to the high hopes and expectations exuded by Addicott’s projections above, the *Rhodesia Herald* of 14 March 1956 led with a story on price-drop shock at the auction floors.¹³⁶ ‘So shocked were tobacco growers at the prices at the first season’s sales in Salisbury yesterday’, reported the *Rhodesia Herald*, ‘that on one of the two floors 1,106 bales

¹³¹ *Ibid.*

¹³² *Ibid.*, 4 March 1955.

¹³³ *Rhodesia Herald*, 9 March 1956.

¹³⁴ *Ibid.*

¹³⁵ *Ibid.*

¹³⁶ *Ibid.*, 14 March 1956.

of the 1,500 offered were withdrawn’, a rejection rate of well over 73 percent.¹³⁷ For Campbell this was inexplicable. He described the start of the sales as not only, ‘most depressing’ but also ‘erratic’ and ‘chaotic’.¹³⁸ What worried him was that ‘the quality on the floors was very nearly as good as [he had] seen for a long time.’¹³⁹ Both leaders and ordinary growers were looking for an answer to the unexpected developments of 1956. Reverberations were felt beyond the industry itself. On the very next day, a motor dealer was quoted saying, ‘unless there was an improvement in tobacco prices, car sales would be reduced.’¹⁴⁰ A furniture dealer weighed in wondering if he would get any orders that year, sentiments shared by a departmental store manager.¹⁴¹

It was against the above background that the TMB met ‘secretly to consider the shock of tobacco price drop.’¹⁴² A series of other emergency meetings were lined up. Top on the agenda was the continuous withdrawal of tobacco offered for sale, which had triggered ‘a general air of despondency.’¹⁴³ Even the arrival of the BAT Chairman, D. M. Oppenheim to hold talks with the TMB together with Robin Harvey, the Imperial’s leaf manager who had arrived earlier, did not help the situation. Consequently, ‘in view of the erratic and somewhat uncertain state of the market’, the TMB ‘decided to send a delegation to Britain for discussions with the TAC.’¹⁴⁴ The delegation made up of the Board’s growers’ representatives – Evan Campbell, Richard Harland and Hubert Fox – left for London on 13 April 1956. Meanwhile, pending the results of the visit, the tobacco auction sales in Salisbury were suspended.¹⁴⁵ As part of the action, ‘deliveries of tobacco to the floors by growers [were] also suspended, and no further tobacco except that already enroute to the floors [would] be accepted.’¹⁴⁶ This drastic action was taken to protect growers from suffering further loss while the TMB delegation flew to London for discussions with the TAC.

According to Campbell, while the decision to stop sales was not ‘intended to be a pistol at the heads of the British buyers’, the delegation wanted to categorically point out that ‘the British buyers had been buying so inconsistently that it was no longer a true auction

¹³⁷ *Ibid.*

¹³⁸ *Ibid.*

¹³⁹ *Ibid.*

¹⁴⁰ *Ibid.*

¹⁴¹ *Ibid.*

¹⁴² *Ibid.*

¹⁴³ *Ibid.*

¹⁴⁴ *Ibid.*, 21 March 1956.

¹⁴⁵ *Ibid.*

¹⁴⁶ *Ibid.*, 10 April 1956.

sale.’¹⁴⁷ If the pattern of buying had persisted like that ‘at least 20 percent of the present growers would have been forced out of business.’¹⁴⁸ This percentage, K. J. Riddell suggested, did not ‘consist of inefficient producers, but largely of growers who, having served an apprenticeship, have lately saved enough to start up on their own and have not yet established themselves.’¹⁴⁹ Driving them out of business would not only have been unfair, but also a big blow to the future of colonial Zimbabwe’s tobacco industry. To underline the seriousness of the action, this was the first time that business had ever been brought to a standstill as a deliberate act of policy once sales had started. The only notable glitches in 1948 and 1949 were a result of sales disruption due to African railway workers’ strike and grower protests against the intended introduction of sales tax on tobacco by the Government, respectively.¹⁵⁰ In the 1948 case, sales were suspended for a week ‘because of the inability of the railways to clear tobacco to Beira, while in the 1949 case, auction sales were postponed to pressure Government into abandoning its taxation plans.’¹⁵¹

The response to the suspension of sales was mixed. Describing this as ‘hasty action’, the TTA was opposed to the position taken by the TMB.¹⁵² In its view, such action would undermine the confidence of existing markets and deter interest from new markets without which the present production of tobacco could not be absorbed.¹⁵³ The TTA took the protest to the Minister of Agriculture for their counterparts’ ‘unduly hasty action.’¹⁵⁴ As a representative of merchants who stood to benefit from the low prices, the attitude of the TTA was understandable. Sharing the same views with the TTA, and arguing how this was to disrupt railways, shipping, grading, merchandising and banking, Tobacco Producers Floor (TPF) officials regarded the suspension as ‘sheer suicide.’¹⁵⁵ The fear of losing business at the floors must have influenced the officials’ stance. To substantiate their position they argued that the ‘Railways [would] face the possibility of having between 800 and 900 trucks idle.’¹⁵⁶ Having been set aside for tobacco traffic, if the trucks were not utilised during the booked times, there would be disruption of railway schedules. This was tantamount to ‘holding up the country to

¹⁴⁷ *Ibid.*, 12 April 1956.

¹⁴⁸ *Ibid.*

¹⁴⁹ *Ibid.*, 18 April 1956.

¹⁵⁰ *Sapa*, reproduced in the *Rhodesia Herald*, 12 April 1956.

¹⁵¹ *Ibid.*

¹⁵² *Rhodesia Herald*, 11 April 1956.

¹⁵³ *Ibid.*

¹⁵⁴ *Ibid.*

¹⁵⁵ *Ibid.*

¹⁵⁶ *Ibid.*

ransom in an attempt to bolster a weak market in a few grades', they charged.¹⁵⁷ Mrs. I. Murray, who operated 'the biggest grading shed in the country', also joined those opposing sales suspension on the grounds that 'graders everywhere would be facing a grave problem of storage.'¹⁵⁸ By contrast, however, one senior official of the Tobacco Auctions Floor shared the RTA's concerns and supported the move. 'Something had to be done', he argued. 'If things had gone on as they were it would have meant ruin for a number of farmers.'¹⁵⁹ According to him, this was the first time that the middle grades known in the circles as the 'the bread and butter lines had had such a rough deal.'¹⁶⁰ Judging by their name, these grades must have been survival grades and a fall in their prices would be disastrous to the industry.

Contrary to the general notion of grower homogeneity which is presumed in some studies, growers had divided opinions.¹⁶¹ There was a section of the growers, comprising those who had 'to meet commitments that could not be met on existing average prices and these were in the majority.'¹⁶² Because of its situation, this category of growers was in support of the suspension of sales and looked forward to the London delegation's success in its deliberations with the TAC. On the other hand, were those who, although disappointed by the drop in prices, still thought it was unwise to stop sales. 'We have had a rising market for 10 years', they argued, 'it was up to the farmers to put their houses in order during that time.'¹⁶³ According to this view, 'if growers had prepared to be real resident farmers and ran the land as a farmer should, they would still have made reasonable profit from the prevailing prices on the floors.'¹⁶⁴ Speaking for himself, one farmer emphatically stated, 'Quite frankly, I can come out well enough at an average of 32d per lbs.'¹⁶⁵

Despite criticism in some quarters, the RTA through its president, Campbell, denied that the suspension of sales was a 'hasty snap decision.' He maintained that it was well considered and was in the best interests of the industry. Campbell revealed that the year's crop of about 150 million lbs of tobacco was produced at a cost to the growers of £20 million. More importantly, a high percentage of the farmers had grown their crops with the aid of a bank overdraft. For them to break even, they needed to get an average crop of 32d. a lb. which

¹⁵⁷ *Ibid.*

¹⁵⁸ *Ibid.*

¹⁵⁹ *Ibid.*, 12 April 1956.

¹⁶⁰ *Ibid.*

¹⁶¹ In *Leaf of Gold*, Clements and Harben tend to overemphasise harmony and unity among growers.

¹⁶² *Rhodesia Herald*, 13 April 1956.

¹⁶³ *Ibid.*

¹⁶⁴ *Ibid.*

¹⁶⁵ *Ibid.*

‘average price had been barely maintained during the first four weeks of the sales.’¹⁶⁶ Moreover, ‘a failure of the tobacco sales ... would not only mean some growers going out of business’, but also ‘less money available to tobacco farmers who were trying to use their tobacco profits to extend their activities to food production’ with ‘a disastrous effect on the food production of the country.’¹⁶⁷ Worse still, Campbell argued, if the uneconomic prices were allowed to persist, ‘tobacco growing would have become still more of a gamble and less of a sound economic proposition.’¹⁶⁸ On a different but related note, the ‘erratic and inconsistent buying, which was apparent to a degree unknown in [the] 20 years of auction sales, would kill this system of sale.’¹⁶⁹ Describing it as ‘a complete farce’, he argued that what was happening could not justifiably be termed an auction sale.¹⁷⁰ Given the fact that unfettered auctions were considered the cornerstone of the Rhodesian tobacco industry, anything that posed a threat to their smooth operation could not be tolerated by the industry.

After the London trip and deliberations with the TAC, the TMB issued a press statement. ‘It is now in the interest of the industry to keep sales running smoothly’, the statement read, ‘so that types of tobacco suitable to the British market may be offered in the normal way.’¹⁷¹ It cited assurances by the TAC to stick to the letter and spirit of the London Agreement.¹⁷² The fear was that ‘unless the sales continued without interruption’, the TMB explained, ‘this might have serious effects on the market.’¹⁷³ However, even after the assurances given by the TAC and the TMB’s press statement, the situation still remained so tense that the TMB was forced to issue yet another statement, five days later. The new statement provided that ‘no further withdrawals of tobacco already delivered for sale on the auction floors in Salisbury would be allowed.’¹⁷⁴ However, growers still retained their right to tear tickets, and cancel a sale, if they were dissatisfied with prices offered.¹⁷⁵ Thereafter, sales resumed on a more promising note. ‘There is a general easiness in the minds of growers’, Parker was reported as having said, adding that ‘if this trend continues things will be fine.’¹⁷⁶ He observed

¹⁶⁶ *Ibid.*

¹⁶⁷ *Ibid.*, 13 April 1956.

¹⁶⁸ *Ibid.*, 24 April 1956.

¹⁶⁹ *Ibid.*

¹⁷⁰ *Ibid.*

¹⁷¹ *Ibid.*

¹⁷² *Ibid.*, 22 April 1956.

¹⁷³ *Ibid.*

¹⁷⁴ *Ibid.*, 27 April 1956.

¹⁷⁵ *Ibid.*

¹⁷⁶ *Ibid.*, 21 April 1956.

that, 'Although there has been no great increase in prices, sales were much steadier – there was no erratic jumping and falling as there was before the sales closed.'¹⁷⁷

While the fire-fighting measures adopted by the TMB and RTA stabilised the situation and saw the resumption of sales on a steadier basis, the strains between the two parties did not completely heal. What irked the colony's growers most was what they considered to be unfair treatment by the imperial government. Growers did not understand why Britain which retained dollars from the Federation's copper would, with a clear conscience, allocate the money to her tobacco manufacturers to buy American tobacco, thereby undermining the Federation's second largest export commodity, tobacco.¹⁷⁸ Parker disclosed the continued ructions in a letter he wrote to the TAC chairman in January of 1957. 'I can only add that it is as deeply regretted by my Council as by your committee that a measure of estrangement has developed between us', he revealed.¹⁷⁹ Acknowledging that the success of the LA depended on goodwill between the two signatories, he regretted that this had 'been slipping somewhat of late.'¹⁸⁰ He blamed the 'mistrust and unfairness' between the parties on the 'misunderstanding of each other's problems', which he said was caused by lack of sufficient direct contact, due to distance between the two parties.¹⁸¹

The tension between big tobacco manufacturing capital and domestic agrarian interests, was not a result of lack of 'direct contact' as suggested by Parker above, but emanated from conflictual interests and power asymmetries between the parties. This unevenness was itself a result of the governance structure of global value chains in which big capital was the dominant node. An earlier letter by Parker to Major H. E. P. Spearing reinforces this point. In that letter Parker highlighted two major factors: he noted that the local tobacco industry could not afford 'to quarrel with the TAC' – almost solely the Imperial Tobacco Company (ITC) with Gallaher's to a small extent; and that there was need to find more markets.¹⁸² By cautioning against quarreling with the TAC, Parker was inadvertently admitting the junior and subordinate status of the colony's tobacco industry. The letter becomes more revealing in so far as it acknowledged the dominance of one consolidated conglomerate, the ITC, on the Salisbury auction floors. In the absence of competition, the ITC did not have the urge to offer attractive prices. It was this reconfiguration of the tobacco marketing landscape in the mid-1950s and its

¹⁷⁷ *Ibid.*

¹⁷⁸ *Ibid.*, 19 April 1956.

¹⁷⁹ RH 27/2/1, R.T.A, 1956-1957, J. S. Parker letter to Sir Alexander Maxwell, 19 January 1957.

¹⁸⁰ *Ibid.*

¹⁸¹ *Ibid.*

¹⁸² *Ibid.*, J. S. Parker letter to Major H. E. P Spearing, 29 March 1956.

effects on the market's power relations between British agro-industrial capital and colonial Zimbabwe's tobacco growers which better explains the waning influence of local growers.

Deepening Power Asymmetries and Calls for Government intervention

John A. Landau, the President of the Rhodesia Federated Chambers of Commerce, summarised the nature of the marketing terrain in the mid-1950s. Key developments were taking place towards the mid-1950s which shaped how British manufacturers related with colonial Zimbabwe's tobacco industry. Firstly, as noted by Landau, the pattern of the British tobacco industry was changing.¹⁸³ It was characterised by a growing tendency towards the expansion of the big companies and the elimination of smaller ones.¹⁸⁴ He noted that:

These big British companies are ... now in a monopolistic position in the retail trade in Britain. It follows that they are in a monopolistic position, too, so far as buying is concerned in Rhodesia. The conception of a free market has disappeared. The industry in this country now finds itself at the mercy of one of the largest financial groups in Britain, if not in the world.¹⁸⁵

The resultant consolidation of tobacco conglomerates weakened the bargaining position of the grower through reduced competition, and undermined the satisfactory operation of the auction floor system. The poor performance and chaotic nature of the 1956 auction sales were a manifestation of this problem. Second, the move towards sterling convertibility and the improving dollar position meant that British manufacturers could increase purchases of American leaf, thereby placing them in a stronger bargaining position against local growers.

In his presidential address to the 34th annual congress of the Chambers in Gwelo, Landau called upon Government to act over the closure of tobacco sales. According to him the closure was 'a crisis that demanded Government intervention at the highest level and of the strongest nature.'¹⁸⁶ Underlining the power gap between local tobacco growers and big tobacco manufacturing companies in Britain, hence the powerlessness of the colony's delegation in London, he noted that, being representatives of the industry and not Government, the delegation had 'no weapons with which they [could] make any impression upon the unassailable might of the combine that [sat] on the opposite side of the table.'¹⁸⁷ To bolster the bargaining power of colonial Zimbabwe's tobacco industry in such circumstances, Landau called for a firmer Government intervention. 'There is no purpose in continuing with these

¹⁸³ *Rhodesia Herald*, 19 April 1956.

¹⁸⁴ *Ibid.*

¹⁸⁵ *Ibid.*, 20 April 1956.

¹⁸⁶ *Ibid.*

¹⁸⁷ *Ibid.*

kid's glove negotiations', he argued. Describing the situation as having 'gone too far' and calling it a 'national crisis' that had gone 'beyond the domestic issue affecting only the industry', he amplified his call for Government intervention in the dispute between buyers and growers.¹⁸⁸ This underlined the contradiction inherent in state-grower relations: the need for government assistance to the industry, while at the same time clamouring for a free market approach in the industry.

Landau was not alone in his call for Government intervention in the tobacco industry. A month later, A. H. Krikler, President of the Salisbury Chamber of Commerce, amplified the call. Expressing 'the views of organised commerce throughout the country', Krikler in his address to a meeting of the Salisbury Branch of the Mashonaland Farmers Association, charged that, the tobacco industry had become monopoly-controlled.¹⁸⁹ Repeating Landau's call for government intervention, he lamented that the prevailing situation had become chaotic, with the selling of tobacco having 'developed into a complete gamble.'¹⁹⁰ According to him, no monopoly should be in a position to control the country's second most important industry.¹⁹¹ Two months later, Krikler took up the matter again. Addressing 'a distinguished audience that included Southern Rhodesia Cabinet Ministers, heads of Federal and Southern Rhodesia Government Departments, consular representatives, Federal industrial chiefs and members at the annual meeting of the Chamber', Krikler attacked Government's lethargy on tobacco.¹⁹² 'It seems incredible' he lamented, 'for the Government to continue to maintain its present attitude of non-intervention' in the tobacco industry.'¹⁹³ He did not understand how Government could afford to be so complacent about an industry that contributed some £25 million to the national income.¹⁹⁴ He did not understand how 'approaches by Chambers of Commerce to both Government and growers' had 'failed to whip up even mild enthusiasm for some positive action.'¹⁹⁵ While acknowledging slight improvement in prices, he remained worried that 'little if any uncertainty had been removed' since British buyers 'had given no indication that the attitude they had adopted this year would be different next year.'¹⁹⁶

¹⁸⁸ *Ibid.*

¹⁸⁹ *Ibid.*, 5 May 1956.

¹⁹⁰ *Ibid.*

¹⁹¹ *Ibid.*

¹⁹² *Ibid.*, 3 July 1956.

¹⁹³ *Ibid.*

¹⁹⁴ *Ibid.*

¹⁹⁵ *Ibid.*

¹⁹⁶ *Ibid.*

The unevenness of the relationship between agro-industrial capital and the grower was not lost to ordinary members of the RTA. In a letter to the editor, one grower demonstrated an awareness of the nature of the relationship by noting that:

The story of merchants and intermediaries exploiting the agricultural market repeats itself once more-but this time the Tobacco Association is fortunate in having Mr. Campbell, a man of integrity and energy, who has taken up the challenge and decided to fight the giant capital organisations. Usually it is very difficult to fight with big capital, but we hope this time the (Board of Trade) BOT will have to decide-should it allow tobacco merchants to have their way with Rhodesian growers, or should it insist on fair play.¹⁹⁷

Two important points come out of this observation: that there were layers of exploitation of producers, the first of which was inflicted by ‘merchants and intermediaries’ who would want to pull prices as low as possible to improve their own prospects of making huge profits. The second layer of producer exploitation was by big capital, again with the aim of maximising their profits. It was against the combined force of the merchants and big manufacturers that growers had to fight. This was the context within which calls for Government intervention became louder as growers realised that the odds were heavily stacked against them. In the same vein, the RTA pushed for the formation of the Tobacco Export Promotion Council of Rhodesia (TEPCOR) and pressurised the state to appoint trade commissioners in potential markets. This transformed the way the colony’s tobacco marketing was structured and handled. The need for increased government support explains why farmers were among the most ardent supporters of the Rhodesian Front (RF) in the 1960s. As Chapter Three will show, they believed that the RF was better placed to defend their interests.

Conclusion

The overarching observation made in this chapter is that understanding the performance of colonial Zimbabwe’s tobacco industry requires one to go beyond the role of the state. The colony’s tobacco industry was largely propelled as well as undermined by global, regional and local developments. Any attempt to appreciate the industry therefore requires one to situate it within this context. Between 1947 and about 1952, the industry was generally doing very well within the limits imposed by labour and other constraints, and the market was quite remunerative. As I have attempted to show, this success was intricately tied up with broad global market dynamics in general, and Britain’s post-war economic and financial challenges, in particular. In other words, the colony’s industry fitted very well into Britain’s post-war

¹⁹⁷ *Ibid.*, 16 April, 1956.

designs meant to reconstruct the country after the devastation wrought by the Second World War. This was to be achieved partly through financial reorganisation in the mould of a discriminatory sterling area, which allowed for dollar pooling and saving through restricting dollar area imports, and partly through encouraging the production of primary products in colonies. Of course, colonial Zimbabwe's tobacco growers invested heavily in research to improve yields both quantitatively and qualitatively, but overall the success or otherwise of the industry depended on the broader and complex global framework. It is little wonder that when the global climate changed since 1953 with the improving dollar situation and the movement towards *de facto* sterling convertibility, the colony's tobacco prospects began to wane. Although full convertibility was achieved in 1958, the shift in that direction began to be noticeable towards the mid-1950s culminating in the 1956 price crisis.

Whilst scholarship on colonial Zimbabwe's tobacco industry has generally tended to glorify the brilliance and acumen of the colony's tobacco industry leaders for the industry's post-war success, this chapter has shown that much more was involved. The success of the industry was shaped by global, regional and local dynamics often unrelated to the industriousness of the leadership of the colony's industry players. Second, by highlighting the changing fortunes of the industry in the mid-1950s, the chapter lays the foundation for succeeding chapters which partly seek to question the notion that before UDI in 1965 the colony's tobacco industry was experiencing unmitigated success.

CHAPTER TWO

‘THE RELENTLESS BATTLE FOR MARKETS’: FEDERAL TOBACCO PROSPECTS IN A CHANGING GLOBAL MARKETING LANDSCAPE, 1957-1962

Introduction

Events of the mid-1950s culminating in the 1956 price crisis marked a turning point in the fortunes of colonial Zimbabwe’s tobacco industry. Changes in the global and regional tobacco marketing terrain continued beyond 1956. This triggered a paradigm shift in tobacco growers’ interactions with the colonial and imperial states, and world tobacco markets. Exploring the shift adds nuance to our understanding of the colony’s tobacco industry. Building on the previous chapter, Chapter Two seeks to illuminate the multiplicity, diversity and complexity of factors whose dynamic interplay shaped the fortunes and misfortunes of Federal tobacco interests. In doing so, the chapter departs from narratives that over-glorify the resourcefulness of the colony’s ‘tobacco men.’ At the same time, it offers a critique to a state-centric strand of literature that portrays the colonial state as the fulcrum around which all developments in the industry and beyond rotated. By striking a balance between these two views, the chapter provides fresh perspectives on how the industry fared between 1957 and 1962. Pursuing the story of the Federal tobacco industry during this period complicates our understanding of the dynamic relationship between imperial and settler colonial interests. Simultaneously, examining the vicissitudes of the colony’s tobacco industry during this period deflates the pervasive notion in the public domain that attributes the misfortunes of colonial Zimbabwe’s tobacco industry to the political ‘folly’ of the Unilateral Declaration of Independence (UDI) in 1965. Instead, as the chapter shall attempt to highlight, the tobacco industry’s post-war growth began to show signs of stagnation well before UDI. While the temptation was to end the chapter in 1963 with the demise of the Federation, it was the election of the Rhodesian Front (RF) into government in December 1962, which had a huge bearing on the fortunes of the industry, and therefore marks a critical juncture in the history of the industry.¹

The previous chapter closed with uncoordinated calls by various stakeholders for government intervention in the marketing of the colony’s tobacco. Both sides (growing and buying) of the industry amplified the calls by joining hands in imploring government to intervene. The Tobacco Trade Association (TTA) President, Wrey Ingham acknowledged that it was the function of the exporting houses and merchants to expand and develop markets, and

¹ Scholars concur that both the beginning and end of the Federation had very little impact on the fortunes of the tobacco industry. See for instance, Hooper, ‘The Political Economy’; Dunlop, *The Development of European Agriculture*; and Mackenzie, ‘Commercial Farmers in the Governmental Systems of Colonial Zimbabwe.’

that under normal trading conditions his association resented any interference in tobacco markets by the government or any other official body.² He, however, conceded that current trading conditions were anything but normal.³ Tobacco was ‘particularly subject to Government controls such as import permits, finance restrictions and political pressures.’⁴ Because of this, ‘in many instances ... merchants [found] it difficult, if not impossible, to overcome these restrictions without official assistance.’⁵ It was against this background that Ingham called upon the TTA to support the Rhodesia Tobacco Association (RTA)’s call for the appointment of government trade commissioners (TCs).⁶ Unlike non-governmental interest groups, TCs could leverage the Federation’s ‘adverse balance of trade with many countries’ in government-to-government trade negotiations, regarding the use of local tobacco.⁷

The same issue seized the grower side of the industry. Since the 1956 price debacle, growers intensified measures to secure more markets. For instance, John Parker and Evan Campbell had informal meetings with cabinet ministers over these and related issues.⁸ Top on the agenda of these meetings was ‘the need for much more Government assistance in finding markets.’⁹ It was partly due to these meetings that the Government agreed to the appointment of a TC based at Rhodesia House to complement Spearing’s work.¹⁰ The RTA expected Spearing to ‘work closely with the new man, advising him ... and travelling around with him.’¹¹ That way the TC would be able to open the doors to new markets.¹²

The search for tobacco markets continued to dominate the Tobacco Marketing Board (TMB)’s activities. For instance, the Board suggested ‘that the marketing of tobacco be taken out of Agriculture and be put under Trade and Industry’, who were better placed to deal with ‘economics and trade.’¹³ Connected to this, it further suggested an advisory committee to Trade and Industry consisting of both the growing and buying sides of the Board. Other suggestions included the ‘appointment of a Tobacco Marketing Research Officer to travel the whole world

² *Rhodesia Herald*, 10 March 1956

³ *Ibid.*

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Ibid.*

⁷ *Ibid.*

⁸ NAZ, File RH 27/2/1, 1956-1957, J. Parker letter to H. E. P. Spearing, 25 January 1957. Spearing was the agricultural advisor to the Federal High Commissioner at Rhodesia House, London, and Parker was the RTA/TMB Secretary whilst Campbell was the RTA President. Parker and Campbell informally met John Caldicott and Frank Owen, the Ministers of Agriculture and Commerce and Industry, respectively.

⁹ *Ibid.*

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² *Ibid.*

¹³ *Ibid.*, J. Parker Letter to H. E.P. Spearing, 2 April 1957.

continually trying to find out where new markets could be found,' after which the officer was expected to take 'the necessary Government action, which would pave way and create the necessary good atmosphere for the merchant.'¹⁴ In addition, the TMB tasked Spearing to carry out research on how to establish a viable marketing set up through making comparative studies with the American and Indian systems.¹⁵ The ensuing subsection examines the mutuality of interests between government and the tobacco industry to highlight how this influenced the nature of their relations.

Captured State? Unpacking Grower -State Relations

Government generally lent a sympathetic ear to concerns of the colony's tobacco interests. Two factors are likely to have influenced government policy towards the tobacco industry. First, the industry strategically positioned itself in both territorial and Federal politics. For instance, Caldicott, a grower in his own right who, as earlier highlighted, rose through the ranks to become the President of the RTA, and later of the Rhodesia National Farmers' Union (RNFU), became the Federal Minister of Agriculture in December 1953. He served in that capacity until 1958. Under his custodianship, tobacco matters received a fair share of attention. It would not be far-fetched to suggest that his association with the colony's tobacco interests must have shaped his predisposition to the industry in the execution of his ministerial duties. Interestingly, when the need for external markets became urgent, and the Federal Government placed the Ministry of Economic Affairs at the centre of this initiative, Caldicott was redeployed to the new ministry from December 1958 to May 1962 after which he was redeployed to the Ministry of Economic Affairs. Again, tobacco matters featured prominently in the Trade Agreements Working Party (TAWP) chaired by the Ministry of Economic Affairs. Interestingly, John Graylin, who later became the TEPCOR chair, succeeded Caldicott in the Ministry of Agriculture.¹⁶

Apart from Caldicott, both the RTA President and Secretary were on first name terms with Trade and Industry Minister, Frank Owen, giving them an informal platform to ventilate their issues.¹⁷ Whilst at policy level growers occupied key positions in both cabinet and parliament, at the implementation and technical levels, some former senior government technocrats occupied strategic positions in the industry. For instance, Nevile Bertram, a long-

¹⁴ Ibid., J. Parker, Letter to H. E.P. Spearing, 25 January 1957.

¹⁵ Ibid.

¹⁶ Graylin took over the TEPCOR leadership from Evan Campbell, the inaugural chair who relinquished his post upon his appointment as ambassador to the UK.

¹⁷ NAZ, File RH 27/2/1, 1956-1957, J. Parker, Letter to Spearing, 25 January 1957.

serving secretary of the Ministry of Commerce and Industry (formerly Division of Trade and Industry) since 1948, joined TEPCOR as one of its senior market promotion officers in the 1960s. Later, R. C. Macfarlane, a Rhodes University economics graduate left his senior post as Undersecretary in the Ministry of Trade and Industry to join TEPCOR as another senior marketing promotion officer. Noel Townley, former Federal Counsellor (Trade and Commerce) in London also found himself in the employ of TEPCOR. Outside the ruling party, Winston Field, another renowned tobacco grower and former RTA President, was the leader of the opposition in the Federal Assembly. Field was later to become the colony's Prime Minister when the Rhodesia Front swept to power in 1962. Given this scenario, it becomes unsurprising that the government largely supported the tobacco industry. However, whilst important, the strategic political positioning of the industry does not fully explain the tobacco industry's influence on government. Economic considerations, which are discussed below, also played a significant role in shaping state-grower relations.

Tobacco in the Federal Economy

Economically, the Federation was heavily dependent upon the export of a relatively few primary commodities of which tobacco was key. The importance of the colony's tobacco industry was acknowledged at the highest level. The Prime Minister, Godfrey Huggins, cautioned against underestimating the continued importance of the tobacco industry in the economy of the colony.¹⁸ According to him, the industry was firmly established as one of the permanent major industries of colonial Zimbabwe.¹⁹ Tobacco was not only the 'second most valuable export item' after copper, but was also 'by far the most important agricultural product.'²⁰ In 1956, together with copper, it accounted for 88 percent of the Federation's exports by value. Tobacco constituted 16 and 18 percent of the total value of exports in 1956 and 1957, respectively, and the figure rose to 21 percent of total value of exports by 1961. In 1958, 60 percent of all farm output in Southern Rhodesia was due to tobacco. Out of a gross value of agriculture (excluding subsistence production) of £72.2 million (US\$94.1million) in 1960, the gross value of tobacco production was £34.4 million (US\$44.6) or no less than 47.6 percent of gross national agricultural production. What made tobacco particularly crucial to the

¹⁸ *Rhodesia Tobacco Journal*, August 1950, 44.

¹⁹ *Ibid.*

²⁰ NAZ, Records Office, Box 66, Economists File, Location, 10.2 6R 8324, Memorandum on the Importance of Tobacco to the Federation, 11 July 1958.

Federal economy was that by comparison, its prices were more stable than those of copper were.²¹

In 1958 alone, tobacco farmers in colonial Zimbabwe received a gross income of about US\$60 million.²² To an under-developed country, this meant not only the development of large areas of cultivated land, but also the ability to diversify the whole structure of the agricultural production.²³ For instance, while in the early 1950s the Federation was a net importer of foodstuffs, by 1958 it became 'an exporter of maize, beef and other foodstuffs.'²⁴ Earnings from the tobacco industry made investment into these crops and foodstuffs possible.²⁵ Evidence of the connection between tobacco growing and the expansion in food production is clear from the Central Statistical Office (CSO)'s annual reports of agricultural and pastoral production in colonial Zimbabwe. For instance, according to the 1948-9 report, the 10 districts out of 33 agricultural districts which produced 528,720 bags of maize grown in the colony and not retained for use on farms were predominantly tobacco producing districts.²⁶ The same districts also carried 427,865 of the colony's 1,188,101 European cattle.²⁷ Even at the individual level the importance of tobacco was acknowledged. Edmund Nelson of Norton argued that tobacco subsidised food production. According to him, 'if tobacco ceased to be a worthwhile crop ... in order to get food grown the Government would have to take tobacco's place to subsidise the consumer.'²⁸ He further explained that if it were not for tobacco he would not have had over 600 head of beef cattle on his farm and a large acreage under maize and other crops.²⁹ The tobacco farmer, he added, used returns from tobacco 'to help out his other non-profit making food crops and cattle.'³⁰

Most tobacco growers practised mixed farming. For instance, out of the 4,841 farm returns received by the CSO, 1,779 showed tobacco as their principal crop. Out of these, only 181 grew tobacco as their sole crop with the rest mixing tobacco with food crops and livestock.³¹ Ian Morten, the tobacco representative at Rhodesia House, confirmed the

²¹ *Ibid.*

²² *Ibid.*

²³ *Ibid.*

²⁴ *Ibid.*

²⁵ *Ibid.*

²⁶ Central Statistical Office, *Report of the Agricultural and Pastoral Production in Southern Rhodesia for 1948/9*. See the analysis in *Tobacco*, January 1951, 52.

²⁷ *Ibid.*

²⁸ *Rhodesia Herald*, 18 May 1951.

²⁹ *Ibid.*

³⁰ *Ibid.*

³¹ Central Statistical Office, *Report of the Agricultural and Pastoral Production in Southern Rhodesia for 1948/9*.

prevalence of mixed farming in the colony. In his 1949 annual report, he talked about his visit to the colony's tobacco districts after ten years of absence. Commenting on general progress he reported about 'the very healthy change in the appearance of the farms', adding that there were no more tobacco farms 'but general farming with fine herds, sheep and poultry, many new dams, much contour ridging, schools, clinics, good farm roads, Native churches and so on, and all achieved through tobacco.'³² This was in addition to the tobacco industry's contribution towards the development of secondary industries, which provided employment to the indigenous population in factories and processing plants.³³ Secondary industries which partly owed their existence to tobacco included dairy products, beef cattle, sheep production, forestry and to a limited extent, maize.³⁴

If the RTA figures provided in one of their memoranda are anything to go by, the tobacco industry was also very important in other respects. According to the RTA, a very large part of the African working population's livelihoods depended on the tobacco industry's continued prosperity. There were 'some 225,000 people with possibly 500,000 dependents, whose lives directly depended on the prosperity of the tobacco industry.'³⁵ This excluded those engaged indirectly in such industries as farm machinery plants, fertilizer factories, and so on, or those employed in ancillary undertakings –railway, road transportation services, cigarette and tobacco manufacturing.³⁶ Taking these into account, the number of employees in the tobacco and ancillary industries was significant. The tobacco industry also contributed immensely to commerce. Growers purchased about one-fifth of all fertilisers sold in the Federation, spent about US\$15 million on insurance, about the same amount on commercial grading, and about US\$8 million on insecticides.³⁷ They provided approximately a market for about 60 percent of all tractors and farm machinery sold in the Federation.³⁸ In view of the above, it is unsurprising that Government had vested interests in the well-being of the industry hence did all within its powers to safeguard it from the vagaries of global markets. The section below interrogates the changing global marketing terrain of the late 1950s to the 1960s.

³² NAZ, Box RH27/2/1-RH27/3/2, File RH27/2/1, 1935-1951, Ian Morten Report, 1949.

³³ Ibid.

³⁴ *Rhodesia Tobacco Journal*, August 1950, 44.

³⁵ NAZ, Records Office, Location 10.2-6R 68324, Tobacco General Papers, Memorandum on the Importance of Tobacco to the Federation, 11 July 1958.

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.

The Global Context: Liberalisation, the European Common Market and the American Threat

Liberalisation and the Struggle for Commonwealth Preference Retention

The question of trade liberalisation and its likely impact on the Federal tobacco industry was a matter of great concern to both the Federal government and its tobacco growers. This explained the high-powered delegation that met Sir David Eccles, President of the UK Board of Trade (BOT) at the Salisbury Airport on 26 March 1959. Opening the meeting, John Graylin, the then Minister of Agriculture, drew attention to ‘the fears current in the Federation that UK moves in the convertibility of sterling and the further liberalization of trade might have serious repercussions upon [local] tobacco interests.’³⁹ The fears, he highlighted, emanated from intelligence received through the Federal High Commissioner in London. According to the information, it was clear that the UK intended to liberalise tobacco in the not too distant future. He noted that whilst the people in Britain might think the climate was now favourable for further moves in the direction of liberalisation, locally people were worried by this prospect, particularly in the prevailing circumstances of a weaker market.⁴⁰

Eccles ruled out ‘the question of any imminent moves in respect of the liberalisation of tobacco imports.’⁴¹ He highlighted that there was no motivation in Britain to liberalise since ‘America had not been particularly nice to the UK.’⁴² For instance, he argued, America was putting impediments in the way of British contractors getting electricity contracts and there had been trouble in respect of textiles, chrome and many other commodities.⁴³ In the circumstances, he assured the Rhodesian delegation, Britain was under no obligation, moral or otherwise, to appease the US. In fact, according to Eccles, Britain wanted ‘to examine the possibility of increased preference for [Rhodesian] tobacco or possibly continuing the 61/39 rule on a permanent basis even in the face of convertibility.’⁴⁴ Whilst Eccles’ assurances pacified Federal tobacco interests for some time, the threat of liberalisation of the UK tobacco market continued to hover over the Federal tobacco industry. Federal suspicions were not without substance. Notwithstanding Eccles’ assurances in March 1959, by December of the same year,

³⁹ NAZ, Records Office, Location 11.10-6R 68310, File A9/F5 Vol. 3-5, TMB Minutes of Meetings, Notes on meeting held at Salisbury Airport, 26 March 1959.

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Ibid.

⁴³ Ibid.

⁴⁴ NAZ, File F114/213, Correspondence in 1959/60 relating to the Convertibility of Sterling and its effect on the Liberalisation of Tobacco, Notes of a Meeting held at BOT, 24 September 1959.

the British High Commissioner confirmed the inevitability of liberalisation. Writing to the Federal ministry of Economic Affairs, he said:

Our policy of liberalisation continues and further steps will be taken shortly. To exclude leaf tobacco, which stands as the only raw material still under control, would be to invite the United States to apply the strongest pressure for liberalisation. As I have explained, we have no ground to resist this, and a public yielding to pressure would be objectionable here and damaging to the reputation of Rhodesian tobacco. The real question at issue is, therefore whether tobacco should be liberalised in the next few weeks or during the auctions.⁴⁵

Two things were clear to the Federal tobacco industry: first, that liberalisation was imminent; and second, its introduction would open Rhodesian tobacco to the vagaries of global markets, particularly to the full blast of American competition. In view of this, the RTA made efforts to ring-fence some of its long-held advantages.⁴⁶ The Imperial Commonwealth preference on tobacco was one such key advantage. Not surprisingly, this issue dominated talks between the BOT and the Federal delegation held in London on 24 September 1959.⁴⁷ In that meeting, the Federal delegation mounted a spirited defence of the preference. Submissions by the delegation were two-pronged: they clamoured for both the retention and the revaluation of the preference. In arguing its case for preference retention, the delegation even appealed to British moral sensibilities. The colony's tobacco industry was encouraged by UK controls of one kind or another for 20 years, they argued, adding that they sacrificed other markets to ensure that the UK got her requirements at reasonable prices. On that basis, they contended that the UK had a moral obligation to reciprocate by maintaining the preference. This was especially so in view of the fact that 'the tobacco industry in the Federation was no longer an affluent industry earning super profits due to a combination of increasing production costs and falling average prices.'⁴⁸ Second, that in contrast to tobacco industries elsewhere in the world, tobacco in the Federation was grown almost exclusively for export, and primarily to UK markets. This put the industry at a disadvantage when compared to other major producers who had huge domestic markets.⁴⁹ The vulnerability of the Federal tobacco industry in the face of global competition could only be mitigated by the tariff preference, the industry argued.

⁴⁵ NAZ, File F226/1214/1, Tobacco Industry Federal Archives, Letter from Acting UK High Commissioner to C. H. Thomson of the Federal Ministry of Economic Affairs, 21 December 1959.

⁴⁶ Ibid.

⁴⁷ The Federal delegation consisted of J. Ward and R. C. Macfarlane, both from the Ministry of Economic Affairs. In addition to being the Secretary of the ministry, Ward doubled as the chair for the Trade Agreements Working Party.

⁴⁸ NAZ, Records Office, Location 10.2-6R 68324, Tobacco General Papers.

⁴⁹ For instance, the local market consumed up to 80 percent of US tobacco output.

The Federal delegation premised the second rung of its submissions on the revaluation of the preference. While conceding that the General Agreement on Trade and Tariffs (GATT) provisions generally prohibited the imposition of new trade restrictions, the delegation still maintained that there was room for the UK to manoeuvre. The delegation's argument was that the situation 'seemed to be in a state of fluidity with many new preferences seeming to arise from trade associations in Western Europe.'⁵⁰ These did not 'strictly conform to the requirements of Article XXIV of the GATT and should, therefore, be regarded to some extent at least as creating new preferences.'⁵¹ Following this precedent, the Federation argued that Britain could revalue the Commonwealth preference on tobacco.⁵² Justification for tariff revaluation was that it had lost value over the years since 1932 when it was first negotiated.⁵³ In contrast, the reciprocal preferences to the UK were expressed in *ad valorem* terms hence did not devalue. Since the preference on tobacco was 'virtually the only important one Rhodesia enjoyed,' it was only fair that the UK adjusted it upwards.⁵⁴

Despite mounting a strong and persuasive call for tariff revaluation, the Federal representatives still failed to sway the British BOT. On behalf of the BOT, Hebert Andrew wrote:

As I explained to you ... neither this nor any proposal for 'mixing regulations' is really practical politics. We have also considered whether there are any other ways in which we might achieve the same end, consistent with our general economic policy and the GATT, but without success.⁵⁵

The BOT added that, 'Any increase in preference would involve a head-on collision in the GATT.'⁵⁶ In the BOT's view, tempering with the preference would set a precedent for the US to review its relations with them, particularly the aspects which specifically related to favourable treatment in the UK markets, against UK interests.⁵⁷ Townley noted that when

⁵⁰ NAZ, File F114/213, 24 September 1959.

⁵¹ Ibid. The Article provided that contracting parties recognise the desirability of increasing freedom of trade by the development, through voluntary agreements, of closer integration between the economies of the countries parties to such agreements. They also recognize that the purpose of a customs union or of a free-trade area should be to facilitate trade between the constituent territories and not to raise barriers to the trade of other contracting parties with such territories.

⁵² Ibid.

⁵³ Ibid., for instance, that at the time of its introduction in 1932 its rate was equivalent to 25% of UK duty. However, in 1958 the preference had drastically fallen to represent two and half percent of the UK duty in real terms.

⁵⁴ NAZ, File F114/213, 24 September 1959.

⁵⁵ Ibid., Letter from Hebert Andrew of the BOT to C. H. Thomson of the Federal Ministry of Economic Affairs, 21 December 1959.

⁵⁶ Ibid.

⁵⁷ Ibid.

confronted with such a situation, Britain would safeguard her own interests at the expense of those of the Federation. He said:

Our own first-hand experience has been that the UK does not hesitate, as soon as its own interests begin to diverge from those of the Commonwealth, to go its own ways, and we have recently had evidence of the fact that consultation provides little safeguard.⁵⁸

This was a commentary on how economic considerations, and not kin and kith sentiments shaped imperial-settler-colonial relations during the period under review.

Through the Ministry of Economic Affairs and Townley, the Federation made further protestations, but all was in vain. Even Townley's visit to both the BOT and the Commonwealth Relations Office (CRO) in London to discuss the status of the UK tariff preference on tobacco did not yield positive results.⁵⁹ According to the BOT, the expiry of the preference's 10 year guarantee in 1942, meant that it ceased to be contractual.⁶⁰ In the absence of contractual guarantees, and in view of the likelihood of the US calling for a UK concession on tobacco in the 1960/61 GATT negotiations, anxiety and apprehension gripped the Federal tobacco industry. The Federation was aware of the continuous and consistent policy of the US administration to secure an erosion of Commonwealth preferences in general.⁶¹ This was due to political 'pressures on the US administration to secure an improvement in the competitive export position of US tobacco for which the UK [was] the biggest market.'⁶² The US resolve was emboldened by the progress made in the removal of discrimination against dollar imports following liberalisation.⁶³ In the same vein, it was 'logical to expect US pressure to be strengthened against tariff and preferential obstacles to dollar exports.'⁶⁴ In the circumstances, the absence of a binding preference left the Federation's position precarious.

The Federal case was not helped by the fact that it was no longer in Britain's economic interest to pursue preference in the light of the changing global economic landscape. The best that the BOT could do was to give non-contractual assurances. True to Townley's fears, Rupert Metcalf, the British High Commissioner in Salisbury, on 14 January 1960, revealed that the UK authorities could not give an assurance that the preference margin of unmanufactured tobacco would not be reduced, adding that there was a GATT commitment dating from 1947

⁵⁸ NAZ, File F114/213, N. Townley letter to the Office of the Prime Minister and External Affairs, 16 December 1959. Townley was a Federal counselor (Trade and Economics) based at Rhodesia House in London.

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Ibid.

⁶³ Ibid.

⁶⁴ Ibid.

to reduce the preference.⁶⁵ Faced with this uncertainty, and with liberalisation inevitable, the Federation shifted focus to minimising its impact. To this end, they spelt out terms and conditions under which they were prepared to accede to liberalisation. First, they urged the UK government to take ‘the opportunity which liberalisation would present to speak to the US authorities about the more objectionable features of their policy for tobacco disposals in terms of Public Law 480.’⁶⁶ Second, they required UK assurances that no request for a reduction in the preference would be considered, at least at the 1960/61 GATT negotiations. Finally, they demanded an undertaking by the BOT to consult at any time should the proposal for a reduction in the preference arise.⁶⁷ When the UK acceded to all the conditions, the Federal Government through a letter written by Caldicott accepted the proposals.⁶⁸ However, as Townley observed earlier on, these undertakings were inadequate to provide safeguards against change of policy in future.

Following Caldicott’s letter, liberalisation of tobacco markets gathered pace. On 23 January 1960, the *Rhodesia Herald* reported that the UK government was on the brink of removing restrictions on the import of tobacco from dollar sources.⁶⁹ Such a step by Britain, the report went, exerted enormous influence on the world tobacco trade, with its significance to the Federation profound.⁷⁰ The report concluded by noting that, ‘the abolition of the restrictions means from now on Rhodesian tobacco [would] have to compete in the UK on equal terms with American and Canadian tobacco.’⁷¹ This explains the flurry of letters and high-level diplomatic exchanges between Salisbury and London over this issue. Five days after the *Rhodesia Herald* story on the imminence of the removal of restrictions on tobacco imports into the UK, the Federation received official communication on the issue. ‘The 1st of February is confirmed as the date on which liberalisation takes effect,’ announced Metcalf.⁷²

The official announcement of liberalisation renewed the Federal government’s fight to make the tobacco tariff preference binding. They used every opportunity and platform available to them to pursue the issue with vigour. For instance, H. W. Roberts of the TAWP approached

⁶⁵ NAZ, File F114/213, R. Metcalf letter to J. Ward, 14 January 1960.

⁶⁶ *Ibid.*, J. M. Caldicott letter to Metcalf, 19 January 1960.

⁶⁷ *Ibid.*

⁶⁸ *Ibid.*

⁶⁹ *Rhodesia Herald*, 23 January 1960.

⁷⁰ *Ibid.* Prior to this, the ‘mixing’ regulations regime in force in the UK allowed manufacturers to buy 61 percent of their usings from dollar sources and 39 percent from sterling sources. With the new developments, UK manufacturers would be able to buy as much leaf as they required, wherever they liked.

⁷¹ *Ibid.*

⁷² NAZ, File 114/213, 28 January 1960.

the CRO over this. He made a formal approach to the UK government', with a view to seeking some reciprocity for the substantial advantages that [were] likely to accrue to the UK as a result of the ... Trade Agreement recently concluded between the Federation and the Union of SA, which became effective on the 1st of July, 1960.'⁷³ In return for these advantages the Federal government wished to make a request to the UK government for a binding of the margin of preference in favour of Federal tobacco.⁷⁴ He added that the preference was by far the most important tariff concession enjoyed by the Federation and that the liberalisation of tobacco imports into the UK considerably increased its importance. Apart from the non-governmental London Agreement, it constituted the only assistance to Federal tobacco in the UK market. In the light of prior assurances given by UK Ministers and officials that the UK would do everything possible to secure for the Federation its market for tobacco, the Federal government considered that there was a strong case for the UK government to bind the existing tobacco preference. The Federal government attached the primary importance to its request for a binding of the tobacco preference. Unfortunately for the Federal industry, this request, as others before it, was turned down by the UK.⁷⁵

With the 1960/61 GATT multilateral tariff negotiations imminent, the Federal government was in a quandary. According to the *Rhodesia Herald* they had in their possession intelligence to the effect that the US was going to press hard for the total removal of the Commonwealth tariff preference.⁷⁶ As such, 'there [was] naturally concern in the Federation about the US campaign and in particular with regard to the preferences in the UK and Australia.'⁷⁷ In view of this, the Prime Minister's office directed the High Commissioner for Rhodesia and Nyasaland in London, to write to the UK once again. He was specifically directed to refer the British authorities to their previous letter, wherein they made 'a categorical undertaking' not to consider any request for the reduction of preference, at least during the

⁷³ NAZ, File RH 27/3/2, H.W. Roberts letter to the Commonwealth Relations Office, 26 July 1960.

⁷⁴ Ibid.

⁷⁵ Ibid. For detailed reasons for the rejection of Federal proposals see NAZ, F/618/01, Policy Relating to Tobacco Preferences in the UK, 1960- , 'Notes by the Trade Agreements Working Party: The Ottawa Agreement and the Tobacco Preference in the UK, 10 February 1961.' The Trade Agreements Working Party noted that the UK Government stated that while some advantage might accrue to the UK as a result of the Union Trade Agreement, they did not consider that these provided an occasion for a formal binding of the preference on unmanufactured tobacco. This was because, they argued, these advantages were not bound to the UK and might easily disappear after the currency of the present Trade Agreement if some new arrangement was not negotiated between the Federation and the Union.

⁷⁶ *Rhodesia Herald*, 3 August 1960.

⁷⁷ NAZ, File RH 27/3/2, Prime Minister and External Affairs' Office, Letter to the High Commissioner for Rhodesia and Nyasaland, 15 August 1960.

1960/61 negotiations.⁷⁸ In addition, the High Commissioner was asked to invoke ‘the long standing general arrangement that reductions in preferences would not take place without prior consultation.’⁷⁹ Despite all these efforts, the response that the Federation got from Britain was not encouraging. The British High Commissioner revealed that Britain was increasingly under pressure from the United States government:

to remove those of our remaining import controls which still affect them; we can no longer plead currency shortage, and the plea that the economy of the Federation benefits by the maintenance of the control of the control on tobacco would not be to the point. We have, therefore, to face the situation that indefinite maintenance of this control cannot be justified.⁸⁰

In the circumstances, the Federation could not be faulted for perceiving America as posing a serious threat to its interests. It is against this background that the following subsection takes a close look at the dimensions of the US threat as perceived by the Federation of Rhodesia and Nyasaland.

The American Threat

The relationship between the US and Federal tobacco interests was tense. The circumstances under which colonial Zimbabwe replaced America as the key source of tobacco for the UK market were discussed in detail in Chapter One, and therefore need no repetition here. Suffice to say, in the eyes of the US tobacco industry, colonial Zimbabwe was a fierce competitor in the lucrative British tobacco markets. This was not without basis as according to Hooper:

The Rhodesians had slowly been grabbing a larger share of the world market at the United States’ expense, the share of the U.S in the world export trade dropping from 66 percent in 1954 to only 57 percent in 1961, with Rhodesia accounting for the better part of the difference.⁸¹

This was largely because of dollar shortages in Britain, which resulted in Britain imposing restrictions on the importation of American tobacco.⁸² In principle, this flouted the GATT protocol on non-discrimination in trade, which the US spearheaded at the GATT inaugural meeting in Geneva in 1947. The main objective of GATT was to eliminate ‘discriminatory commercial practices, of which preferences ranked as a pernicious form.’⁸³ Whilst in the immediate post-war era Britain justified the restrictions based on shortage of dollars, the argument lost traction in the late 1950s when the dollar situation improved significantly, and

⁷⁸ Ibid.

⁷⁹ Ibid.

⁸⁰ NAZ, File F114/213, Acting UK High Commissioner, Letter to C. H. Thomson, 21 December 1959.

⁸¹ Hooper, ‘The Political Economy’, 110.

⁸² See Chapter Two of this thesis.

⁸³ T. W. Zeiller, ‘GATT Fifty Years Ago: U.S Trade Policy and Imperial Tariff Preferences’, *Business and Economic History*, 26, 2 (1997), 709-717, 709.

the sterling became convertible again. Predictably, America pushed for the scrapping of the import restrictions and the tariff preference, which they argued impeded free trade as provided in GATT protocols. This set the Americans against the Federal tobacco industry, which valued the preference as the only remaining advantage following liberalisation. Britain, which had committed itself to ‘work toward eliminating preferences, not to impose new ones, and not widen existing margins’, but whose officials had undertaken to protect the Federal tobacco industry, found herself in an awkward position.⁸⁴

The US-Federation of Rhodesia and Nyasaland dispute played out at the 1960/61 GATT negotiations. Predictably, US representatives at GATT pursued two things: a cut in the Commonwealth preference for Rhodesian and other tobacco; and the ending of the London Agreement.⁸⁵ It justified its stance on two grounds: that tobacco production in Commonwealth countries was no longer an infant industry in need of protection; and that Britain had no shortage of foreign exchange, and therefore there was no longer any need to reduce hard currency imports.⁸⁶ It also called upon Australia to eliminate the special preferential tariff rate on tobacco from colonial Zimbabwe. At the same time, the US was pressurising the European Common Market not to impose *ad valorem* duty, which was a disadvantage to the expensive American leaf.⁸⁷ They wanted the *ad valorem* duty to be replaced by specific duties, which in percentage terms would hit colonial Zimbabwe’s cheap ‘Continental’ leaf hardest.⁸⁸ In this way, the US posed a threat to the Federation’s tobacco interests.

On its part, the Federation prepared a persuasive memorandum for the GATT meeting. In that memorandum, they even sought to appeal to the US’s moral standing as a developed state. For instance, they submitted that any action already taken or contemplated by the US Government, which might have the effect of prejudicing the Federation’s tobacco export markets, ought to be considered with a view to assessing ‘its compatibility with the enlightened and progressive official policies of the US towards the development of the under-developed countries of the world.’⁸⁹ In advancing its argument, the Federation noted that the US led the world in tobacco production and that by virtue of:

⁸⁴ *Ibid.*, 710.

⁸⁵ *Rhodesia Herald*, 3 August 1960.

⁸⁶ *Ibid.*

⁸⁷ See *Rhodesia Herald*; and *Northern News*, 17 August 1960.

⁸⁸ NAZ, File F114/213, Correspondence in 1959/60 Relating to the Convertibility of Sterling and its effect on the Liberalisation of Tobacco.

⁸⁹ *Ibid.*

its unassailable position in its great and still-growing domestic market, which absorbed almost 80 percent of its production, its tobacco-growing industry enjoyed an exceptionally well-insured outlet.⁹⁰

Although they admitted that export markets were of importance to US growers, they still maintained that they certainly were not of the same significance as they were to the Federal tobacco industry. This was because the Federation exported all but a tiny proportion of its total crop. In addition to these advantages, the US industry enjoyed price supports in respect of domestic sales in addition to being exceptionally placed to exploit export markets under PL 480 deals discussed in Chapter One. In such circumstances, the Federation argued that the US was not justified in its fight for the elimination of the few advantages that the Federal tobacco industry enjoyed in the UK market.

To substantiate the Federal case, the memorandum made a comparative assessment of the relative importance of the tobacco industry to the US and the Federation. For example, whereas in 1958, US tobacco exports amounted to 0.08 percent of Gross National Product (GNP), the Federal figure stood at 6.4 percent, eighty times higher. Moreover, the Federation contended, despite its very rapid economic progress in the post-war period, it remained an under-developed country. For instance, in the same year, 1958, the GNP per capita in the US was no less than \$2,514 while in the Federation, the corresponding figure was a mere \$157.⁹¹ Given this, US calls for measures which adversely affected the Federation were considered incompatible with what the government of the US had demonstrated throughout the post-war period, that is, ‘the vital need in the world today of raising the living standards in the underdeveloped countries.’⁹² If the US wanted to remain true to the declared aim of its aid policies, that is, ‘to make such aid unnecessary’ through its thrust on ‘trade-not-aid’, the Federation argued, it ought to avoid activities which were detrimental to tobacco, its vital trade.⁹³

Concluding its memorandum, the Federation called upon the US to take note of the fact that the tariff preferences which its tobacco exports enjoyed in certain Commonwealth markets were few, but important.⁹⁴ Their effectiveness was, at the instance of the US, ‘drastically reduced in the post-war years as result of inflation in prices without corresponding adjustments

⁹⁰ Ibid.

⁹¹ Ibid.

⁹² Ibid.

⁹³ Ibid.

⁹⁴ Ibid.

to margins.’⁹⁵ The reduction of the UK margin in 1943, for instance, was because of US pressure. The Federal government further argued that in any case trade figures could hardly be said to indicate that these preferences resulted on balance in a favourable position for Federal tobacco producers vis-à-vis their competitors in the US. As has been alluded to earlier, the US enjoyed enormous advantages in world tobacco markets as a result, *inter-alia*, of the size and long-standing of its industry, the strength of the industry derived from the absorption of so high proportion of its output by the domestic market, and its lower sea-freight costs to its main markets. The preferences went very little of the way towards upsetting such advantages. Another area of contestations between the US and the Federation was how to relate with the new European Economic Community (EEC) and its European Common Market (ECM). The two parties’ interests diverged.

Apart from the onslaught on tariff preference, America posed yet another threat to the Federal tobacco industry. Following mounting surplus agricultural stocks because of the government’s price support system, America promulgated the Agricultural Trade Development and Assistance Act of 1954, also known as Public Law 480, (PL 480). The aim of this piece of legislation was ‘to reduce agricultural surplus by increasing world consumption of American agricultural products.’⁹⁶ The American tobacco surplus as at 1960 stood at one billion lb. ‘as against a total annual world trade of about 800 million lbs.’⁹⁷ In terms of PL 480, America could make domestic and foreign donations or enter into barter contracts in respect of surplus produce. By an amendment of 1959, the American President was empowered ‘to make long-term supply contracts to friendly countries’ in terms of which the US could supply surplus commodities to other countries annually over a period of up to ten years, and accept payment over a period of up to 20 years.⁹⁸ Federal tobacco interests perceived this as an unfair trading practice, which was deemed to be inconsistent with the dictates of GATT. It disrupted and distorted the world tobacco trade, and as Hooper points out, potential markets for Rhodesian tobacco were spoiled as a direct consequence of PL 480 deals.⁹⁹ According to Campbell, there were markets which were completely closed to Federal tobacco ‘because under Public Law

⁹⁵ Ibid.

⁹⁶ Mary Fish, ‘Public Law 480: The Use of Agricultural Surpluses as Aid to Underdeveloped Countries (With Special Reference to India) (PhD Thesis, University Of Oklahoma, Oklahoma, 1963), 114.

⁹⁷ Ibid

⁹⁸ Ibid.

⁹⁹ Hooper, ‘The Political Economy,’ 110. For a comprehensive examination of the intricacies of PL 480 deals, see Fish, ‘Public Law 480.’

480, the United States was making to them what sometimes amounted to free gifts of tobacco.’¹⁰⁰

Federal tobacco industry’s criticism of PL 480 deals was not baseless. According to information received from the UK, shipments of surplus agricultural commodities exported under Title I of Public Law 480 from July 1957, the commencement of the shipping period under this law, up to the end of January 1958, totalled 3,150,111 metric tons. Of this total, tobacco accounted for 5,474 metric tons or 12,068,000 lbs.¹⁰¹ The shipments covered several countries, which the Federal tobacco industry also targeted as potential markets. Federal authorities opposed these deals on the grounds that they constituted an artificial interference with the world trade in tobacco. Exports under Title 1 of the PL 480, ‘in effect opened new markets for American tobacco ... to the detriment of the Rhodesian industry.’¹⁰² On the other hand, American exports under Title 3, which covered the bartering of surplus tobacco in exchange for strategic raw materials, were ‘disposed at sub-economic prices, thus handicapping the Rhodesian industry in search for genuine commercial markets.’¹⁰³

That PL 480 deals stifled the Federal tobacco industry is beyond contestation. Burma manufacturers, for instance, could not buy Federal tobacco because their Government prohibited the importation of any tobacco except PL 480, which involved no foreign exchange.¹⁰⁴ Japan and Egypt were other cases, which illustrated the negative impact of PL 480 deals vividly. According to Campbell, when the deals were in place, Federal tobacco could not get into Japan at all.¹⁰⁵ Tellingly, ‘when the flow stopped, Japan very quickly became an important buyer in Salisbury.’¹⁰⁶ On the other hand, before Suez crisis disruptions, Egypt’s market share for Federal leaf was a weight of three million lbs per year.¹⁰⁷ Attempts to get back into the country were completely hindered by a three-year PL 480 deal, in terms of which the greater part of Egypt’s fire-cured and flue-cured tobacco was supplied by the United States.¹⁰⁸ The Federation was particularly annoyed when in late 1961, PL 480 deals came as close home as the Congo, which had always been a good market for its tobacco.¹⁰⁹

¹⁰⁰ *Tobacco Forum of Rhodesia and Nyasaland*, November 1962, 9.

¹⁰¹ NAZ, RH 27/3/7, File 130/16/20, Public Law 480 in USA, 4 April 1958.

¹⁰² Hooper, ‘The Political Economy’, 110

¹⁰³ *Ibid.*

¹⁰⁴ *Tobacco Forum of Rhodesia and Nyasaland*, November 1962, 9.

¹⁰⁵ *Ibid.*

¹⁰⁶ *Ibid.*

¹⁰⁷ *Ibid.*

¹⁰⁸ *Ibid.*, 10.

¹⁰⁹ *Ibid.*

The major cause of discontent among Federal growers was what they felt to be a case of double standards by the US. Federal authorities considered PL 480 deals inconsistent with the notion of free trade. They viewed them as distortive of world trade, the same grounds upon which the US launched its relentless attack on the Commonwealth tariff system. The Americans, Federal authorities argued, could not have it both ways: use GATT protocols to attack the Commonwealth preferential tariff, but at the same time abandoning the same protocols when it came to their PL 480 deals. It was against this background that TEPCOR was 'of the opinion that a strong line should be taken with the U.S.A in any context which might arise.'¹¹⁰ It was the view of the Federal authorities that while the US was committed through the GATT to a policy of positively assisting the economies of less developed countries, her action did not always square up with her words. Through PL 480 deals, the US abandoned its 'professed desire to promote the well-being of Central Africa', the Federal tobacco industry argued.¹¹¹

The Federation took its protests against PL 480 to the 1960/61 GATT negotiations where it launched a scathing attack on the US over this issue. The Federal Undersecretary for Agriculture, V. M. Wadsworth, delivered the protest at a meeting of the 7th session of GATT. The protest was described as being in strong terms, very rarely heard at GATT.¹¹² Wadsworth himself admitted that his delegation was 'at a loss to find words within the language of normal diplomatic use to express its feelings about these transactions.'¹¹³ What enraged Federal authorities even more was that in 1955 GATT had passed a resolution calling for orderly disposal of surplus agricultural products on world markets. In terms of the resolution, a nation carrying out surplus disposals was required to consult those countries whose trade might be affected by such transactions.¹¹⁴ Contrary to this stipulation, and despite repeated protests by the Federal government in GATT, the Food and Agricultural Organisation (FAO) and other diplomatic channels, the United States had never consulted with the Federation before carrying out transactions in surplus tobacco.¹¹⁵ At least the Federal delegation's approach managed to wring a commitment from the American authorities to consult in its future handling of surplus tobacco.

¹¹⁰ NAZ, RH27/3/7, Export Promotion Council, TEPCOR Secretary Letter to the Minister of Agriculture, 4 August 1960.

¹¹¹ *Tobacco Forum of Rhodesia and Nyasaland*, November 1962, 10.

¹¹² *London Times*, 12 November 1960.

¹¹³ *Ibid.*

¹¹⁴ *Ibid.*

¹¹⁵ *Ibid.*

The European Common Market

The European Common Market ECM ‘exerted a tremendous influence on the world tobacco markets’ and was therefore an important market for Federal tobacco during this period. This was particularly so given changes in the traditional British market.¹¹⁶ Its importance was premised on two grounds: first and it was an expanding market; and second, it had ‘a stabilising and improving effect on the prices for the lower leaf grades and the industry.’¹¹⁷ Rhodesian tobacco exports to the Common Market were increasing annually to an extent that the unit became the Federation’s second most important market.¹¹⁸ Consequently, the Federation attached a high degree of importance to not only maintaining this market, but also to increasing it annually.¹¹⁹ It followed that the Federation did not take any developments that threatened to disrupt this crucial market lightly. This was especially so, in view of the diminishing importance of the British market as a result of both liberalisation and the associated American threat discussed in earlier sections, all against significant increases in annual production.

A product of a long history of international diplomatic exchanges heavily influenced by post-war configurations, the European Economic Community (EEC) which gave birth to ECM came into effect on March 25, 1957, through the Treaty of Rome. The operational intricacies of this bloc fall outside the scope of this study. Literature dealing specifically with this issue is available for a deeper appreciation of the bloc.¹²⁰ For the purposes of this chapter, it suffices to say that in terms of the provisions of the treaty, six European countries – Luxembourg, West Germany, Italy, the Netherlands, France and Belgium – sought the gradual elimination of trade barriers between member states.¹²¹ The aim was to free the whole of their mutual trade from all artificial barriers.¹²² It was in this respect that it became an area of concern for the Federal tobacco industry. It was certainly bound to impact on the block’s trade relations with Britain, and by extension, the Federation. Krozewski’s observation that, ‘in the late 1950s, Britain’s imperial economic relations underwent an important transformation’ as world

¹¹⁶ *Tobacco Forum of Rhodesia and Nyasaland*, November 1961, 29.

¹¹⁷ *Ibid.*

¹¹⁸ *Ibid.*

¹¹⁹ NAZ, File F226/1217/F29A, Tobacco Export Promotion Council Correspondence, 1962.

¹²⁰ For a more detailed study of this subject see M. Sorokina, ‘Great Britain and the European Integration (MA Thesis, Masaryk University, Brno, 2014); and P. Moloney, ‘From Common Market to EU: Creating a new Model State’ (PhD Thesis, Boston College, Massachusetts, 2014).

¹²¹ H. H. Liesner, ‘The European Common Market and British Industry,’ *The Economic Journal*, 68, 270 (1958), 302-316, 302.

¹²² *Ibid.* See also Article 3(a) and (b) of the Treaty of Rome. Article 3(a) spells the objective of the treaty as ‘the elimination, as between member states, of customs duties and of quantitative restrictions on the import and export of goods, and of all other measures having equivalent effect.’ Article 3(b) advocates ‘the establishment of a common customs tariff and a common commercial policy towards third party countries.’

conditions warranted ‘a re-ordering of relationships developed during the war and its aftermath’, could be partly explained by these developments in Europe.¹²³ The new thrust for Britain was an ‘attempt to adjust established imperial relations to the requirements of liberal multilateralism.’¹²⁴ The controversy on liberalisation and the Commonwealth preference on tobacco discussed in the preceding section can be understood against this background. This section examines tobacco trade dynamics brought about by the new relations ushered in by the ECM.

Whilst Britain did not join the EEC upon its inception in 1957, it made efforts in the 1960s to apply for membership. Britain’s application to join the EEC raised a number of sticking points. The major one was what the Federation’s position was going to be, given the importance of both the British and EEC markets to her industry. Actually, the UK and the EEC took 65 percent of the Federation’s tobacco exports.¹²⁵ The seriousness with which the Federal government treated this matter was evidenced by the introduction in the Federal Assembly, of a motion to discuss the likely effect of Britain’s joining the EEC’s common market on the Federation.¹²⁶ According to Caldicott, in the event of Britain joining the EEC the only completely satisfactory solution for the Federation would be a form of association with the enlarged community on the lines of that enjoyed by the present Associated Overseas Territories,’ (AOT).¹²⁷ In other words, the Federation would seek associate membership.¹²⁸ However, this had its own problems. Firstly, if the Federation were to succeed in getting AOT status, this would adversely affect its trade relations with South Africa. AOTs were precluded from making an arrangement with a third party, more preferential than with the EEC.¹²⁹ In any case, acquiring AOT status had its own complications. For instance, the EEC considered an application from the Federation embarrassing, ‘in view of the United Nations resolution on African advancement in Southern Rhodesia’ which considered race relations in both the Federation and the Union of South Africa unacceptable.¹³⁰ In the circumstances, an association

¹²³ Krozewski, *Money and Empire*, 149.

¹²⁴ *Ibid.*

¹²⁵ National Archives of South Africa (NASA), BTS, 16/2/2/1/7, Vol. 1, Letter from South African High Commissioner in Salisbury to the Secretary for Foreign Affairs, Pretoria, on ‘The Federation and the European Market.’

¹²⁶ *Ibid.*, Office of the High Commissioner, Salisbury, Letter from the High Commissioner to the Secretary for Foreign Affairs, Pretoria, 5 April 1962.

¹²⁷ *Ibid.* Also, see an article in the *Cape Argus* of 19 June 1962, titled, ‘Federation to seek ECM association.’

¹²⁸ *Ibid.*

¹²⁹ *Ibid.*

¹³⁰ *The Rand Daily Mail*, 3 July 1962.

with the Federation was viewed as an endorsement of the status quo, which was politically problematic to the bloc.¹³¹

Apart from grappling with the politics of joining the ECM, the Federation also needed to understand the economic implications of this move. To this end, and barely a year after the signing of the Treaty of Rome, the Federal Government took it upon itself ‘to [assess] the impact of the European Common Market Treaty to [the Federal] tobacco trade.’¹³² It approached local merchants and exporters to ascertain the impact of these developments. In a letter to various tobacco merchants, the Federal Chief Agricultural Economist requested them to submit any information which they thought might be of value in enabling the Federal Government to build up a claim that its interests were being prejudiced.¹³³ To this end, he requested them to give comprehensive assessments of threats to Federal tobacco industry.¹³⁴

In their reply, Export Leaf (Central Africa) Pvt, Ltd outlined some points of interest to the prospects of the Federal tobacco industry. Acknowledging the inadequacy of domestic production in ECM member countries to meet demand, they argued that the tendency would be for the pressure of demand for domestic tobacco to push up prices. That would ‘cancel out – or almost so – the preferential treatment’ in the short term.¹³⁵ In the long term, however, the tendency would be for Common Market tobacco growers to increase their acreages of the desirable types of tobacco in order to take advantage of the favourable prices, and this would affect the Federal industry’s prospects of expanding its markets into the Continent.¹³⁶ Given the growing importance of Continental markets to the Federal industry, this development was certainly worrying.

According to the assessment by Export Leaf Tobacco Company, Italy was the only country of the Common Market producing flue-cured and burley tobacco ‘of acceptable international quality.’¹³⁷ Even then, their investigations revealed that owing to scarcity of suitable soil, there was little chance of her increasing production of these two types to any significant extent. However, some important Italian Concessionaries contradicted this statement and said that the production of both flue-cured and burley could probably be doubled

¹³¹ *The Rand Daily Mail*, 3 July 1962.

¹³² NAZ, Box 226/1214/F4 Tobacco: European Common Market Treaty, Chief Agricultural Economist Letter to Federal Tobacco Companies, 6 January 1958.

¹³³ *Ibid.*

¹³⁴ *Ibid.*

¹³⁵ *Ibid.*, Export Leaf Tobacco Company letter to Chief Agricultural Economist, 28 January 1958.

¹³⁶ *Ibid.*

¹³⁷ *Ibid.*

over a few years, though this would be at the expense of food crops.¹³⁸ Other member states did not pose an immediate challenge to the Federal tobacco industry. In addition, they anticipated no threats from AOTs. This was because in general ‘cultivators in these overseas territories [were] backward and lacking in capital.’¹³⁹ In the circumstances, ‘it would be difficult to teach them to grow flue-cured and burley of an acceptable quality.’¹⁴⁰

While Export Leaf Tobacco Company underplayed the challenge from the ECM, this was not the case with another merchant, Elia Salzman Ltd. In their response to the Ministry of Agriculture’s query, their representative had this to say:

I have made a very profound study of the effects of the European Common Market on the Rhodesian and other tobaccos. The only two countries in the European Economic Community producing tobacco for export are Italy and France. While France exports approximately 20 million lbs, to her own colonies, Italy follows a very aggressive selling policy in Europe and is the only country which could be a competitor of Rhodesia.¹⁴¹

Italy’s ‘aggressive selling policy’ was likely to impact negatively on the Federation’s tobacco in this increasingly vital market. What further complicated the matter was that Britain was importing Italian flue-cured tobaccos and paying exorbitant prices.¹⁴² The situation was compounded by developments in the regional market of the Union of South Africa which is the subject matter of the following section.

‘For the sake of Neighbourly Trade Relations?’ Federal Tobacco in the South African Market

South Africa’s Tobacco Policy

Regionally, South Africa provided the only notable market for Rhodesian flue-cured tobacco. The South African government’s policy in relation to Rhodesian tobacco was a contested one, dating back to 1930, when South Africa introduced quantitative restrictions on Rhodesian tobacco imports. The Union tobacco policy thrust is best captured in the words of the country’s Chairman of the National Marketing Council as follows:

It has for many years now been Government policy that the Union grower of leaf tobacco should be assured (as far as this is possible) of the home market. This presupposes as close as possible a regulation of our own production to our own consumption – ignoring for the moment the improbable situation of a regular profitable export outlet. A corollary to this has been that the Union manufacturers who use the tobacco, should not, in the event of insufficient domestic production, have to import tobacco leaf that is subject to heavy

¹³⁸ Ibid.

¹³⁹ Ibid., 6 January 1958.

¹⁴⁰ Ibid.

¹⁴¹ Ibid.

¹⁴² Ibid.

import duties. For this purpose – as well as for the sake of neighbourly trade relations – the two Rhodesias obtained the privilege of supplementing, free of duty, any shortfall of the Union crop in respect of Flue-cured Virginia.¹⁴³

Evidently, national interest was at the centre of the Union's tobacco policy, with 'neighbourly trade relations' coming second. The true position was to become apparent when, because of a market squeeze, the two neighbours squared off against each other, either party unrelenting in defending its own economic interests.

South African tobacco policy was not isolated from its broad trade relations as provided in a number of agreements.¹⁴⁴ The agreements generated serious resentment mostly from colonial Zimbabwe's commercial and fledgling industrial interests who felt that their terms and conditions were skewed in favour of South Africa. There were plenty of memoranda and petitions by organised commerce and industry against the continuation of the trade relations in their present state. In one of the memoranda calling for the termination of the 1955 agreement on its expiry in June 1960, organised industry charged that 'the existing Union Agreement has had the effect of stimulating consumer goods to the Federation while exports including tobacco, have been steadily declining.'¹⁴⁵ Whereas 'the Union purchased over £2 million worth of Rhodesian unmanufactured tobacco' in 1955, the value purchased fell to a paltry £549,000 in 1957.¹⁴⁶ This is significant when viewed against the background of the challenges that the Federal tobacco industry faced because of the caprices of world tobacco prices, the American threat and the uncertainties triggered by the signing of the Rome Treaty in the same year, discussed in preceding sections.

What did not help the case of the Federation was that global challenges coincided with complications in the South African market closer to home. For instance, the *Rand Daily Mail* of 28 January 1960 carried a story on the state of the South African tobacco industry. Running under the headline, 'Crisis in SA tobacco circles,' the report observed a contradiction, in the Union industry: production far exceeded the rate of smoking.¹⁴⁷ The result, the report added, was a worsening crisis in the tobacco growing industry as farmers were desperately searching for new outlets for their excess production.¹⁴⁸ With its own surplus headache, prospects for

¹⁴³ NASA, LON, A235-7/3 Vol. 6, Tobacco Industry Control Board, May 1947-, Letter from Chairman, Union National Marketing Council, to the Secretary for Agriculture, 9 April 1948.

¹⁴⁴ See the 1949, 1955 and 1960 Trade Agreements in the post-war period, National Library of South Africa, 337.91680689, Treaty Series, Trade Agreements between the Government of the Union of South Africa and the Government of the Federation of Rhodesia and Nyasaland.

¹⁴⁵ NAZ, MS 1199-18-4, SA, 1953-191, ARnI and ACCOR Memorandum on South African Agreement, 1959.

¹⁴⁶ *Ibid.*

¹⁴⁷ *The Rand Daily Mail*, 28 January 1960.

¹⁴⁸ *Ibid.*

import of Rhodesian tobacco into the Union were bleak. Ominously for the Federal tobacco industry, the *Rhodesia Herald* of the following day carried a story under the headline, ‘Tobacco faces full blast of free market’ which exposed Federal tobacco to the full force of international competition on a free British market.¹⁴⁹ This combination of global and regional market complications left the Federation’s tobacco industry hard pressed.

The 1960 Trade Agreement Deliberations

Given the situation portrayed above, tobacco dominated trade talks between the Federation and South Africa in 1960. South Africa had been an important market for Federal tobacco for years. The challenges triggered by liberalisation, America’s PL480 deals and ECM trade dynamics discussed in earlier sections only served to strengthen the Federal industry’s resolve to maintain or even expand its Union market. On the other hand, as a matter of Union policy, Federal tobacco was only welcome in South Africa on a supplementary basis, in the event of any short of the Union crop.¹⁵⁰ There was no shortfall in the Union in 1960. Instead, the Union was grappling with increased tobacco production against a decline in the rate of smoking, which led to surplus tobacco. Actually, the Union situation was so dire that tobacco farmers in the Transvaal were angry with government.¹⁵¹ Many of them faced ruin unless some government plan was made to market the ‘gigantic surplus’ which had accumulated in the past three years.¹⁵² What irked growers even more was that notwithstanding this surplus, the Union remained under obligation to import annually a minimum of 2 million lbs of flue-cured tobacco from the Federation in terms of the 1955 Trade Agreement.¹⁵³

The obligation to import specified amounts of Rhodesian tobacco was due to expire at the end of June 1960. Given the state of both parties’ industries during this period, a clash of opinion was certain to erupt during talks on whether or not to include the union quota in the new agreement. Both parties’ tobacco fortunes were on the decline. Consequently, their positions during the talks were diametrically opposed. Federal tobacco growers wanted the quota to be raised to 4 or even 5 million lbs.¹⁵⁴ On the other hand, after stockpiling about two years’ supply of tobacco leaf, forcing the Minister of Finance to set aside £500,000 for tobacco market research and export promotion purposes in his budgetary allocations, Union growers

¹⁴⁹ *Rhodesia Herald*, 29 January 1960

¹⁵⁰ NASA, LON, A235-7/3 Vol. 6, Tobacco Industry Control Board, May 1947-, Letter from Chairman, Union National Marketing Council, to the Secretary for Agriculture, 9 April 1948.

¹⁵¹ *The Rand Daily Mail*, 19 March 1960.

¹⁵² *Ibid.*

¹⁵³ *Ibid.*

¹⁵⁴ *Rhodesia Herald*, 16 March 1960.

wanted a reduction or even a temporary curtailment of purchases of Federal leaf.¹⁵⁵ The two parties' positions were irreconcilable.¹⁵⁶ Faced with hard times for their respective tobacco industries, both the Union and the Federation receded to the background the rhetoric about considerations of 'neighbourly trade relations.'

It came as no surprise that barely two days after the opening of trade agreement talks in March 1960, there was a sudden breakdown of negotiations. Union officials packed their bags and went back home for consultation with their Government.¹⁵⁷ Five days later, the *Rhodesia Herald* and the *Northern News* attributed the sudden adjournment to 'an adamant stand taken by both sides on the question of Rhodesian tobacco exports to the Union.'¹⁵⁸ However, sense finally prevailed and consensus was reached, leading to the signing of the agreement on the 16th of May 1960 with the 1st of July 1960 as the effective date of operation. Other considerations must have influenced the South African delegation to give in. For instance, during a meeting of the Union's Export Trade Advisory Committee, one W. Barnard warned as follows:

There is, I am sure, no need to remind you that only one other country, the UK, surpasses the Federation as a purchaser of SA goods. In fact, in the field of manufactured goods the Federation is by far our first and best customer. It is necessary, therefore, to look more closely at our trade with that country.¹⁵⁹

This must have influenced Union attitude towards Federal demands.

It is no doubt that tobacco was central in the 1960 Agreement. Out of the Agreement's 13 Articles, tobacco issues were provided in Article 3, just after the definitional and one other Article.¹⁶⁰ Article 3 guaranteed the importation of two million lbs duty-free Rhodesian flue-cured tobacco into the Union market. However, for Federal tobacco interests, this was far from satisfactory. Campbell's short comment on the clause reveals the feelings of the local tobacco industry's leadership at the time. When asked about what he thought about the new agreement all he could say was, 'I am sorry it was not more.'¹⁶¹ Given the challenges with the Union market

¹⁵⁵ *Rhodesia Herald*, 16 March 1960.

¹⁵⁶ *Ibid.*

¹⁵⁷ *Ibid.*

¹⁵⁸ *Rhodesia Herald*; and *Northern News*, 21 March 1960.

¹⁵⁹ NASA, HKE, Ref. H7/1, General Trade Policies, Minutes of the Ninth Meeting of the Export Advisory Committee, 1 April 1960.

¹⁶⁰ See, National Library of South Africa, 337.91680689, Treaty Series, Treaty No. 1/1960, The Trade Agreement between the Government of the Union of South Africa and the Government of the Federation of Rhodesia and Nyasaland.

¹⁶¹ *Rhodesia Herald*, 1 July 1960.

and the rugged international marketing terrain discussed in this and earlier sections, respectively, it will be interesting to examine their implications at the local level.

Local Initiatives in ‘The Relentless and Unceasing Battle for Markets.’

TEPCOR and ‘the Most Energetic Campaign Abroad.’

This section examines how global and regional dynamics in world tobacco trade played out in the local space. Apart from calls for government intervention to assist the industry, growers initiated measures meant to mitigate the challenges facing them. The role of exporting merchants in introducing the Federation’s tobacco to the world has been discussed in Chapter One of this thesis hence needs no repetition.¹⁶² While in the earlier period, merchants operated on an individual basis and without any government assistance, in the late 1950s to 60s the situation changed.¹⁶³ The buying and growing sides of the industry collectively formed the Tobacco Export Promotion Council of Rhodesia in 1958. But with so many political undertones in tobacco trade, occasions arose when it became difficult, if not impossible, for private enterprise to surmount artificial barriers that emerged against tobacco imports in potential markets.¹⁶⁴ It was against this background that the industry initially called for the appointment of trade commissioners in potential markets, and later, the transformation of TEPCOR into a statutory body in 1961.¹⁶⁵

Staffed by highly experienced and well-travelled individuals, the mandate of the organisation as enunciated by its inaugural chair, the vocal and long-standing former president of the RTA, Evan Campbell, was to ‘immediately set about the task of fostering worldwide interest in Federal tobaccos.’¹⁶⁶ The objectives of the organisation were, among other things, to seek to promote good public relations and friendly personal contacts with all tobacco importers, and to discuss with importers about trends in smoking tastes in their countries, changes in blends, and possible changes they required in the leaf. They also discussed with government officials the present and future policy on local production or imports, in addition to collecting and collating statistics and commercial intelligence for use in the Council or for dissemination to the trade in the Federation. The RTA used the information to make informed production recommendations to growers, among other uses. With the deteriorating political

¹⁶² For the activities of one of the key exporting merchants, K. Kileff Tobacco Ltd, see Armstrong’s biographical account of Ginger Freeman in Armstrong, *Ginger Freeman: Tobacco spiced with Ginger*.

¹⁶³ *Tobacco Forum of Rhodesia*, November 1961,13

¹⁶⁴ *Ibid.*

¹⁶⁵ In 1961, the organisation incorporated Nyasaland to become the Tobacco Export Promotion Council of Rhodesia and Nyasaland (TEPCORN). After changing into a statutory body the organisation’s representatives became particularly well placed to discuss trade impediments at a government-to--government level.

¹⁶⁶ *Rhodesia Herald*, 16 July 1960.

situation of the late 1950s until the dissolution of the Federation in 1963, TEPCOR representatives also discussed Central African political developments with importers to assure them of continuity of supply.¹⁶⁷

Underpinning all the TEPCOR activities was the ‘the need for maintaining the most energetic campaign abroad.’¹⁶⁸ To this end, the organisation embarked on several tours of potential markets. For instance, a Federal delegation embarked on a tour, which covered Australia, New Zealand, Japan, China, the Middle East and North Africa in February 1960.¹⁶⁹ The tour was not all in vain because it led to the delegation signing a sales pact with Japan the following year. The pact brought excitement to the Federal industry particularly because Japan produced more than enough low-grade tobacco for her consumption, hence she wanted middle and high-quality grades from the Salisbury auction floors. This brought competition to British and Australian buyers for better quality tobacco.¹⁷⁰ TEPCOR activities received government support at the highest level. For instance, in 1959, the Minister of Agriculture led a mission to Europe ‘to establish contacts there and to promote the sale of Rhodesian tobacco abroad.’¹⁷¹ He was accompanied by Campbell, and they were joined in London by the Trade Commissioner at Rhodesia House.¹⁷² The mission visited Finland, Denmark, Norway, Sweden, Holland, France and London. In sending out the team, the Prime Minister noted that, ‘the Government [was] very conscious of the need for it to play its full part, together with TEPCOR, in developing new markets and expanding existing one.’¹⁷³

TEPCOR carried its 1959 momentum into 1960. ‘My council is committed to an all-out drive’, Campbell declared, ‘to ensure that when manufacturers think of tobacco they automatically think of Rhodesia and Nyasaland.’¹⁷⁴ During a tour that was described as ‘the most ambitious international marketing probe ever conducted on behalf of the Federation’s tobacco industry’, TEPCOR officials criss-crossed the world.¹⁷⁵ Campbell joined R. C. Macfarlane, TEPCOR senior market promotion officer, who was already in Europe. Individually or together, they visited Spain, Portugal, Algeria, France, Morocco, Austria,

¹⁶⁷ NAZ, File F226/1217/F29A, Tobacco Export Promotion Council.

¹⁶⁸ *Rhodesia Herald*, 30 July 1960.

¹⁶⁹ *Ibid.*, 16 June 1959.

¹⁷⁰ *Ibid.*, 18 February 1960.

¹⁷¹ *Federation of Rhodesia and Nyasaland, Parliamentary Debates, Federal Assembly*, Vol.10, April 6 to July 23, 1959, Ministerial Statement.

¹⁷² *Ibid.*

¹⁷³ *Ibid.*

¹⁷⁴ *Ibid.*, 16 July 1960.

¹⁷⁵ *Ibid.*

Czechoslovakia, Germany, Holland, Belgium, Finland, Sweden, Norway, Denmark, Switzerland and Italy. Campbell later left Europe to the Far East for visits to Japan, China and Singapore. Richard Harland, another TEPCOR member and chair of the TRB left at the end of July for USA and Canada to investigate markets for Turkish tobacco. Bertram, another TEPCOR member visited Brazil, Uruguay, Argentina, Chile, Peru, Venezuela, Nicaragua and Mexico. The tours were meant to 'secure up to date information on production and marketing of tobacco throughout the world and to maintain and widen contacts.'¹⁷⁶ The networks and markets established as a result of these tours were to prove important in the late 1960s and 1970s when Britain slapped the colony with sanctions and embargoed its tobacco industry.

The search for markets continued into 1961. In that year, Graylin described the task at hand in 'military' parlance as a 'battle for the opening and retention of tobacco markets' which he said was not only, 'relentless', but also, 'unceasing.'¹⁷⁷ In that battle, he continued, the challenge was continued expansion of the industrial output. He disclosed that annual production doubled in ten years, and the increase was 17 percent per annum in the past two year. (See Table 1 below). This, Graylin noted, was happening at a time when world production was increasing at an approximate seven percent against the increase in consumption of only four percent.¹⁷⁸ While acknowledging the splendid work being done by TEPCORN, the minister observed that, the industry had 'reached a point where the expansion of the world market [was] being achieved at the expense of other competitors.'¹⁷⁹ That meant the need for constant monitoring of markets to keep abreast with changes in taste and blends. At the same time, he cautioned growers to eschew increasing yield at the expense of quality, thus defeating the industry's own object.¹⁸⁰ This was reiterated by a *Rhodesia Herald* special correspondent who warned that 'expansion should not be for expansion's sake' as this would compromise quality and make the 'battle for markets' more intractable.¹⁸¹

¹⁷⁶ *Rhodesia Herald*, 16 July 1960.

¹⁷⁷ *The Evening Standard*, 14 March 1961.

¹⁷⁸ *Ibid.*

¹⁷⁹ *Ibid.*

¹⁸⁰ *Ibid.*

¹⁸¹ *Rhodesia Herald*, 14 March 1960.

Table 1: Flue-Cured Tobacco in the Federation, 1957-62

Year	Total sales (000 lbs)	Estimated value (£000)
1957	148,636	24,188
1958	156,016	23,529
1959	195,229	27,894
1960	222,407	31,612
1961	236,778	33,274
1962	234,359	34,124

Source: NAZ, Records Office, A8/F4, File 3, TEPCOR General Correspondence

'We should no longer deal with buyers as our friends!' Dimensions of the Battle for Markets

What made the battle for markets discussed above more urgent was the situation at the Salisbury auction floors where the effects of the prevailing global and regional climate in the world tobacco markets were felt.¹⁸² In April 1959, the Minister of Agriculture was forced to call for an emergency meeting of tobacco industry stakeholders.¹⁸³ The urgency of the matter is apparent from the fact that the meeting was held on a Sunday at eight o'clock in the evening. Top on the agenda was government's worries over the low prices on the auction floors. Graylin threatened to bring up the matter on the political arena. He warned that if the prevailing situation persisted a motion would be introduced in the Federal Assembly that the House be adjourned for a full-scale debate on the tobacco price situation.¹⁸⁴ This, he intimated, put pressure on Government to take drastic steps, which could be detrimental to the industry. The matter was so serious that he issued a ministerial statement in the Federal Assembly where he acknowledged that there 'was a great deal of uneasiness' in the country on this matter, and that government was 'giving it a lot of attention.'¹⁸⁵

The constrained marketing terrain continued during the period under review. The 'great deal of uneasiness' referred to by Graylin in 1959, transformed into open hostility which

¹⁸² Quoting the *TEPCOR News Bulletin*, the *Rhodesia Herald* of 25 May 1961 reported that outside America, China and Canada, the world's 1961 flue-cured amounted to some 33 million lbs more than it was in 1960, and almost 80 million above the 1959 production. The danger of former importers attaining self-sufficiency remained an imminent possibility. These developments depressed prices at the Salisbury auction sale floors.

¹⁸³ NAZ, Records Office, Location 10.2-6R 68324, Tobacco General Papers. Chaired by Graylin, the meeting was attended by J. R. Corry, Dr. V. M. Wadsworth (Ministry of Agriculture), BAT Director L. C. Cocks, Baker-Carr, the General Manager of Rhodesia and Nyasaland Tobacco Company, E. R. Campbell, TEPCOR chair, R. Harland, producer member of TEPCOR and G. Hoskins-Davies, RTA president.

¹⁸⁴ *Ibid.*

¹⁸⁵ *Federation of Rhodesia and Nyasaland, Parliamentary Debates, Federal Assembly*, Vol.10, April 6 to July 23, 1959, Ministerial Statement.

threatened to plunge the whole industry into chaos in the following year. The *Rhodesia Herald* of 27 June 1960 carried a story headlined, 'Tobacco industry faces crisis as buyers and growers clash.'¹⁸⁶ According to the newspaper's agriculture correspondent, 'Serious differences between tobacco buyers and growers [were] threatening to plunge the Rhodesian tobacco industry into a grave crisis.'¹⁸⁷ Growers raised complaints against what they called inexpert buying which led to wide discrepancies in the prices offered for the same tobacco, in particular the colossal discrepancies in the prices paid for re-offered bales compared with the original rejected offers.¹⁸⁸ These were not isolated instances, but were a fair reflection of what had been happening frequently on the floors during the past three or four weeks.¹⁸⁹ This built up so much resentment among farmers who tore tickets daily, 'not by the score or even hundred, but by the thousand.'¹⁹⁰ In response angry buyers, big and small and almost without exception, retaliated taking advantage of their privilege to tear tickets against those torn by farmers.¹⁹¹ In the past few weeks, buyers were 'exercising this right on a scale never experienced before.'¹⁹² During the previous week the situation almost went out of hand when more than 3,000 bales were withdrawn from sale on the three floors. 'All sides of the industry', reported the *Rhodesia Herald*, 'are worried about this unhealthy trend, and by the waste of time and energy and the disruption of the traditional harmony between the two interests.'¹⁹³ Such was the extent of the chaos on the Salisbury auction floors in 1960.

In 1961, the chaos and tension reached unprecedented levels. Angry tobacco men tore up to 15,000 tickets as the tension between growers and buyers became palpable at the Salisbury auction floors.¹⁹⁴ Like in the previous year, the major area of conflict was erratic buying which threatened to undermine the cherished auction system. It was reported that withdrawn bales sometimes fetched double or even treble the original prices when re-offered.¹⁹⁵ A month earlier, the price issue had immensely strained the tobacco industry's cohesion. Growers vented their frustrations on the RTA Council, which they accused of

¹⁸⁶ *Rhodesia Herald*, 27 June 1960.

¹⁸⁷ *Ibid.*

¹⁸⁸ See *Ibid.*, 27 June 1960, which reported that four bales for which buyers offered 6d, 9d, 6d and 6d per lb fetched 52d, 53d, 56d, and 50d a lb respectively, when reoffered. Another buyer tore tickets on his entire consignment of 52 bales. When re-offered two days later, they were sold at prices that gave him a net profit of £475 above the total amount offered the first time.

¹⁸⁹ *Ibid.*, 30 June 1960.

¹⁹⁰ *Ibid.*

¹⁹¹ *Ibid.*

¹⁹² *Ibid.*

¹⁹³ *Ibid.*

¹⁹⁴ *Ibid.*, 24 June 1961.

¹⁹⁵ *Ibid.*

sleeping on duty. For instance, at a meeting of the Bromley Farmers' Association, the RTA was heavily criticised for its 'air of indifference to the present price trend.'¹⁹⁶ The meeting called for a vote of no confidence in the leadership because of the manner in which the Council was handling the question of prices.¹⁹⁷ The no confidence vote was unanimously adopted. In a fit of rage, one farmer charged:

I do not like the way in which the Council is allowing our affairs to drift. Our leaders are simply doing nothing to help growers. We should no longer deal with buyers as our friends. They are our enemies and we should declare war on them.¹⁹⁸

Limited by the official sources that they used, Mbanga, and Clements and Harben completely missed these voices. It is no wonder that they portrayed a romanticised view of the industry in their accounts.¹⁹⁹

The RTA Council, through its President, issued a strong-worded response to the 'Bromley declaration.' He said:

Telling the world that tobacco buyers are the enemies of growers and exhorting growers to declare war on them is an act of folly that will find very little support among the 3,000 Rhodesian farmers who grow flue-cured tobacco.²⁰⁰

Describing buyers as an indispensable part of the industry, he added that it was not RTA policy to regard them as enemies.²⁰¹ He further highlighted that the position that the Federal tobacco industry held in the world tobacco market was a result of buyers' encouragement and mutual goodwill.²⁰² The centrality of tobacco buyers, and hence the need to be cautious when dealing with them had been hinted at earlier by government. Addressing the Federal Assembly, Graylin acknowledged that the Rhodesian marketing system was one of free and open auction, further explaining that what government could do to influence the state of the market was limited.²⁰³ Richard Harland, the Tobacco Research Board (TRB) chair, put it more succinctly. Commenting on the same issue, but on a different occasion he said, 'in the hard world

¹⁹⁶ *Ibid.*, 13 May 1961.

¹⁹⁷ *Ibid.*

¹⁹⁸ *Ibid.*

¹⁹⁹ See Mbanga, *Century of Gold*; and Clements and Harben, *Leaf of Gold*.

²⁰⁰ *Rhodesia Herald*, 16 May 1961.

²⁰¹ *Ibid.*

²⁰² *Ibid.*

²⁰³ *Federation of Rhodesia and Nyasaland, Parliamentary Debates*, Vol. 10, April 6 to July 23, 1959.

of commerce, the buyer has the last word – and it’s in our own interest to try to please him.’²⁰⁴

In a show of widening fissures within the growing side of the industry, the RTA President’s strong-worded response did not silence growers. Four days after Hoskins-Davies’ response, and writing under the pseudonym ‘Grower’, one farmer from Melfort joined the debate through a letter to the editor of the *Rhodesia Herald*. Labeling the RTA an enemy in the same category as such menacing tobacco diseases as bushy-top and white mould, he wrote:

May I suggest that the RTA president is out of touch with the 3,000 tobacco growers when he suggests that little support would be forthcoming in any action necessary to improve the deplorable state of affairs so common on the sales floors. Many years of research and thousands of pounds have both been spent to improve our standard of tobacco. We can produce good tobacco now, but there is no answer to our three worst enemies – bushy-top, white mould, and the RTA’s attitude regarding tobacco prices.²⁰⁵

Interestingly, the fissures were fluid and were not confined to skirmishes between the RTA council and growers. Instead, even the RTA Council did not speak with one voice. The claim by the RTA Council and its President to speak for the growers as a whole no longer held. For instance, C. D. Lavers, RTA Councillor for Headlands/Rusape broke ranks with his fellow councillors and did not agree with the official RTA position as enunciated by Hoskins-Davies. In fact, he sided with the complaining growers. In another letter to the editor, he supported ‘Grower’ of Melfort, whose criticism of the RTA he described as ‘basically correct.’²⁰⁶ He said:

The real trouble with the RTA organisation is that it is top-heavy and will never be really efficient or businesslike until this basic fault has been put right. Until the majority of councillors can see the “nigger in the woodpile,” or better still the growers themselves through the annual congress, can insist on “modern” re-organisation, the RTA will continue to be rightly attacked for its unco-ordinated and inconsistent advice.²⁰⁷

Lavers was not alone in his criticism of the RTA Council from within. Another councillor, T. R. Hunter of Bromley/Salisbury East/Goromonzi, also wrote in support of the criticism levelled against the RTA. Endorsing the opinion of ‘Grower’ of Melfort regarding the position on the sales floors recently in respect of prices for good leaf, he argued that ‘the RTA was slow off the mark in calling meetings with the buyers to discuss this vitally important

²⁰⁴ *Evening Standard*, 14 March 1961.

²⁰⁵ *Rhodesia Herald*, 20 May 1961.

²⁰⁶ *Ibid.*

²⁰⁷ *Ibid.*, 26 May 1961

matter.²⁰⁸ In a clear show of divisions within the RTA council on the lines of ‘seniority’, Hunter lamented that as the ‘baby’ of the RTA Council he was in general agreement with Councilor Lavers and, in particular with his remarks regarding the feeling of frustration and stifling one got.²⁰⁹ He described the RTA, which met once a month, as merely acting ‘as a rubber stamp’ and reiterated that the growers held the ace to change things when electing councillors. They could also initiate re-organisation by a resolution to congress.²¹⁰ It is apparent from the foregoing that marketing constraints characterised by low prices on the auction floors brought into the spotlight simmering grower grievances against, and within, the leadership of the tobacco industry. In the face of these challenges, even the RTA’s cohesion as an organisation was at stake as councillors publicly criticised each other.

The Blowing Winds of Change? Tobacco and Federal Politics.

The marketing challenges facing the Federal tobacco industry and the friction it triggered within the industry was further compounded by political developments during this period. This section provides an overview of the emerging impact of politics in the development of the Federal tobacco industry during the period under review. This is particularly significant in view of the observation made by the Tobacco Export Promotion Council of Rhodesia and Nyasaland (TEPCORN). TEPCORN noted that:

If the political problems of the Federation are not solved fairly soon, there could rise serious doubts in the minds of tobacco manufacturers overseas about the ability of this country to guarantee continuity of supply.²¹¹

However, a detailed study of decolonisation, Federal politics and the ‘wind of change’ falls outside the scope of this thesis. That area has attracted substantial academic inquiry on its own.²¹² Nevertheless, a brief comment on politics will lay the foundation for a more detailed examination of its impact in succeeding chapters. This section provides an overview of how the emerging political dispensation influenced global, regional and local relations in the tobacco industry.

The relentless and unceasing battle for markets saw the Federal tobacco industry crossing ideological lines in search for markets. This triggered tension between the Federal state, particularly its hardliner component, and the industry. A case in point was the controversy

²⁰⁸ *Ibid.*, 2 June 1961.

²⁰⁹ *Ibid.*

²¹⁰ *Ibid.*

²¹¹ TEPCORN Annual Report as quoted in the *Rhodesia Herald*, 9 May 1961.

²¹² For the freshest perspective on this subject, see Andrew Cohen, *The Politics and Economics of the Central African Federation* (London: I.B Tauris and Company Ltd, 2016).

between the industry and the government over a Russian delegation that visited the Federation for talks on copper and tobacco in 1961. While the Minister of Commerce and Industry, Frank Owen, suggested that 'the Federation was not anxious to encourage trade with Russia' and described the Russian trade delegation visit as 'an embarrassment,' economic interest groups had different views.²¹³ Representatives of the copper and tobacco industries welcomed the visit, with Campbell for TEPCORN saying his council's discussions with the delegation were fruitful. A follow-up TEPCORN delegation was due to visit Moscow in May of that year.²¹⁴ This marked one of the first incidents when political considerations conflicted with the interests of the tobacco industry. Many more others were to come in later years as will be more fully discussed in subsequent chapters.

Meanwhile the 'winds of change' were blowing in the Federation and beyond. The Congo became independent in 1961 and tension within the Federation was palpable as African nationalists agitated for majority rule. Even before the Congo crisis, uncertainty still engulfed the Federation. For instance, the TTA President was in 1960 quoted lamenting 'the present welter of political speculation and uncertainty in the Federation', which he said, should give way to confidence.²¹⁵ His worry emanated from his correct observation that 'trade and commerce did not thrive where the political prospect was uncertain, nor where strong stable government was lacking.'²¹⁶ He also submitted that given a favourable political climate, the tobacco industry was ready to play its part in the future, as it had done in the past, in the development of the country to the benefit of all races.²¹⁷ By implication, Browne's statement was an indirect admission that the Federal political environment was not 'favourable.'

Browne's observations were clearly on point. They were shared by both the Union and TEPCOR. In an address to the Union Export Advisory Committee, Barnard alluded to this when he said:

The Federation of Rhodesia and Nyasaland, our Northern neighbour, has no doubt been very much in the minds of you all – not only because of the termination of the Trade Agreement, but also because Bantu nationalism has greatly influenced the political scene and has been the cause of some uncertainty as regards the Country's economic future.²¹⁸

²¹³ See NASA, BTS, 1/58/2 vol.2, *Africa South of the Sahara*, 23 January 1961.

²¹⁴ *Ibid.*, G.L Thomas (Union Senior Trade Commissioner in Salisbury) Letter to The Union Secretary for Commerce and Industry, 21 January 1961.

²¹⁵ *Rhodesia Herald*, 26 March 1960.

²¹⁶ *Ibid.*

²¹⁷ *Ibid.*

²¹⁸ NASA, HKE, REF. H7/1, General Trade Policies, Minutes of the Ninth Meeting of the Export Trade Advisory Committee, 1 April 1960.

On the other hand, TEPCOR chairman, Campbell made the same point in his letter to the Minister of Agriculture. In that letter he disclosed that during his tours he ‘bumped into serious problems which may have an extremely adverse effect on [the tobacco] industry.’²¹⁹ He identified the Congo troubles and the recent constitutional talks in Nyasaland as some of the problems. According to him, these had ‘shaken the confidence of some manufacturers and merchants in the continuity of supply of flue cured tobacco from us.’²²⁰ To Campbell ‘national economic problems induced by the uncertainty of the recent political climate [would] curtail credit facilities.’²²¹ The fear among manufacturers, Campbell added, was that ‘the whole Federation [would] be handed back to the African who ha[d] neither the knowledge, application nor financial resources to produce a similar quantity or quality as at present.’²²² It was against this background that TEPCORN representatives were deployed as *de facto* ‘political commissars’ tasked to portray Federal politics in good light, and dispel fears among established and potential buyers.²²³ The challenge to the Federal industry emanated from the fact that some manufacturers started to ‘talk gloomily of stocking up with substitute growths and introducing these into their blend now to ensure the future for themselves.’²²⁴

In its quest to get markets, the Federal tobacco industry contended with some of the challenges outlined above. The battle was fought in a constrained political environment that negatively affected the prospects for the Federal tobacco industry. As succeeding chapters will show, the political uncertainties were a harbinger for worse things to come. The coming to power of the Rhodesia Front (RF) government in December 1962 and the dissolution of the Federation a year later brought new dynamics to global, regional and local relations in the colony’s tobacco industry. Finally, with the unilateral declaration of independence (UDI) in 1965, and the imposition of sanctions on the colony, the tobacco industry was plunged into deep marketing problems. Although the extremist ‘suspicion in Europe that a black nationalistic surge from the North might sweep Europeans and the industry into the sea’ did not immediately eventuate, the industry suffered immensely under the strains of sanctions and

²¹⁹ NAZ, File F226/1214/F4, Letters Between E. R. Campbell And the Hon. J. Caldicott (Minister of Economic Affairs) on how Constitutional Talks in Nyasaland and Congo troubles killed Tobacco Manufacturers’ Confidence, 10 August 1960.

²²⁰ Ibid.

²²¹ *Rhodesia Herald*, 20 March 1961.

²²² NAZ, File F226/1214/F4, Letters Between E. R. Campbell And the Hon. J. Caldicott (Minister of Economic Affairs) on how Constitutional Talks in Nyasaland and Congo troubles killed Tobacco Manufacturers’ Confidence, 10 August 1960.

²²³ Ibid.

²²⁴ Ibid.

a protracted war of liberation waged by Africans.²²⁵ Succeeding chapters will interrogate these issues in more detail to illuminate their impact on the Federal tobacco industry.

Conclusion

This Chapter set to examine the complex and multiple factors that influenced the performance of the Federation's tobacco industries beyond the narrow narratives of Clements and Harben and Mbangwa. To accomplish this, the first section introduced the study and the different strands of literature it engages with before giving a background to subsequent sections. In particular, the first subsection sketched a shift in the industry's modus operandi. Contrary to its earlier free market notions of government non-interference in its affairs, the Federal tobacco industry – both its growing and buying sides – called for government assistance in the battle for markets.²²⁶ In accounting for the nature of the response by government, subsequent subsections examined the special grower-state relationship and the relative importance of the industry to the Federal economy. The next section sketched the global context within which the industry operated during the period under review. Salient contours of this were pursued in detail under subsections on liberalisation and the fight for the retention of the Commonwealth preference, the threat that America posed to the Federal industry and the dynamics that came about because of the inception of the ECM in 1957. Collectively, these developments bore testimony to the intractable challenges facing the Federal tobacco industry and how they were mitigated. The last two sections looked at regional and local dynamics respectively, to illuminate how the battle for markets played in those spaces. Overall, the chapter demonstrated that no single factor can explain the happenings in the Federal tobacco industry during the period under review. Contrary to accounts that overemphasise the role of particular individuals, the story of tobacco during this period was complex and complicated. Unlike existing literature which assumes that the RTA spoke for all the growers, this chapter utilised letters to editors of key newspapers to capture different voices of ordinary farmers. This approach has revealed that the RTA was far from being a homogenous and monolithic entity.

²²⁵ NAZ, RH 27/3/7 TEPCORN Meeting Minutes, 23 September 1963.

²²⁶ *Federation of Rhodesia and Nyasaland, Parliamentary Debates, Federal Assembly*, Vol.10, April 6 to July 23, 1959, Ministerial Statement.

CHAPTER THREE

UDI, INTERNATIONAL SANCTIONS AND THE RE-ORGANISATION OF COLONIAL ZIMBABWE'S TOBACCO INDUSTRY, 1963-1972

Introduction

On 11 November 1965, colonial Zimbabwe's then Prime Minister, Ian Smith, unilaterally declared Rhodesian independence (UDI) from British control. This was a culmination of hardening white extremism that found expression in the formation of the right-wing Rhodesian Front (RF) on the 1st of March 1962. An attempt by white settlers to forestall the impending decolonisation of colonial Zimbabwe based on Britain's policy of 'No independence before majority rule' (NIBMAR), UDI was triggered by the 'wind of change,' rising African nationalism of the late 1950s to 1960s. Prior to the declaration, Britain had warned that in the event of UDI she would impose sanctions on the rebellious colony. The likely implications of this were not lost to Rhodesia's major economic interest groups – the Association of Rhodesian Industries (ARNI), the Associated Chamber of Commerce of Rhodesia (ACCOR), the Rhodesian Institute of Directors and the Rhodesia Tobacco Association (RTA) – who advised against UDI. When, notwithstanding advice to the contrary, Smith unilaterally declared independence, except for Portugal and South Africa, the international community under the auspices of the United Nations (UN), and led by Britain, imposed sanctions on Rhodesia in an attempt to halt the rebellion. Tobacco, a predominantly export commodity whose major destination was Britain, became the most vulnerable target of these punitive measures. This chapter analyses how colonial Zimbabwe's tobacco industry fared in the context of the punitive measures imposed on its economy. The intersection of global, regional and local dynamics in shaping the colony's tobacco industry – a recurring theme of this thesis – became more pronounced during this period as colonial Zimbabwe negotiated survival under international sanctions.

This chapter is divided into three sections. The first section provides a background to UDI by tracing the ideological underpinnings of the RF electoral victory in the December 1962 elections. It also highlights white fears hence their gravitation towards unilateralism, which in turn helps to explain the logic of Smith's 1965 action.¹ The tobacco industry is then located within that broader context of white settlers' shifting ideological make-up thereby unraveling

¹ For a detailed study on this and related issues see Michael Evans, 'The Role of Ideology in Rhodesian Front Rule, 1962-1980' (PhD Thesis, University of Western Australia, Perth, 1993).

the ‘tobacco grower paradox.’² In addition to highlighting the politics of the industry in the prelude to UDI, the section also sheds light on its economics during the same period. The second section examines how both the state and the tobacco industry responded to the imposition of sanctions from 1966 to 1972. Central to this was the reorganisation of the industry headlined by the establishment of the Tobacco Corporation. Through examining the tobacco industry’s relations with the state, and industry and commerce, the section questions the long-standing notion of racial solidarity in the fight against sanctions.

The chapter covers the period stretching from 1963 to 1972. The year 1972 is the cut off year for three reasons: firstly, on 22 December of that year, African liberation fighters attacked Altena Farm in an incident that changed nationalist tactics in waging the liberation war.³ After that point, the war escalated in a manner that brought new dynamics to the tobacco industry and the farming sector in general. Secondly, the same year marked the end of ‘silent auctions’ introduced soon after UDI. In 1973, the industry resumed the open auction tobacco marketing system in operation prior to sanctions; and thirdly, the 1973 oil shock and the resultant world recession impacted significantly on local developments in Rhodesia’s tobacco industry. These three events cumulatively brought new dynamics in the fortunes of the industry that mark the beginning of the next and final chapter of this thesis.

Sanctions or Black Rule? The Politics of the Tobacco Industry in the Build-up to UDI

The period 1963-65 was an eventful one for colonial Zimbabwe’s tobacco industry from both political and economic angles. While the interconnectedness of the politics and economics of the tobacco industry is beyond contestation, for convenience’s sake this section disaggregates them. As one is discussed, the other’s influence is simultaneously highlighted. There was a thin dividing line between political and economic considerations in the way the industry propelled itself during this period. The dominant question in the build-up to UDI was whether to endure sanctions or to accept majority rule, which meant nationalist take-over of political power, putting tobacco growers in a difficult situation. Being a largely export-oriented industry, with Britain being the biggest market, tobacco stood to lose substantially in the event of sanctions. At the same time, tobacco growers/whites perceived majority rule as a permanent and fatal blow to the industry since it was threatening their ownership of productive land. This was partly because of the white community’s ‘siege mentality’ of the late 1950s and early 1960s.⁴

² This refers to the irony of tobacco growers who were staunch supporters of UDI yet the resultant sanctions were detrimental to their interests.

³ See Pilosof, *The Unbearable Whiteness*, 21.

⁴ See Evans, ‘The Role of Ideology in Rhodesian Front Rule.’

Understanding how this mentality evolved sheds light on tobacco growers' position in the build-up to UDI, and during sanctions.

A useful academic study in examining how ideology influenced white Rhodesians' socio-political outlook is Michael Evans's thesis.⁵ The study explains general white anxieties and fears which influenced settler attitude in the build-up to UDI. According to Evans, the formation of the RF in March 1962, and its subsequent unexpected electoral victory in December of the same year, was a culmination of the ideological realignment of white politics towards right wing extremism traceable to the late 1950s. Events of this period triggered fear and despondency among whites.⁶ In response, the white community withdrew into an 'ideological laager' meant to defend their racial privileges. Against this background, parties of right-wing inclinations gained prominence. Prior to the formation of the RF in 1962, the Union of South Africa High Commissioner in Salisbury wrote to the Secretary for External Affairs in Pretoria that:

new political parties with a 'southern' outlook are coming into being in Southern Rhodesia. There are increasing signs of discontent among white people in the territory. There seems to be a growing uncertainty regarding the idea of partnership and the future which it holds for the white man.⁷

Earlier on, *The Rand Daily Mail* had announced the formation of a new political body, the Southern Rhodesian Association, with the objective of perpetuating white rule in place of the now almost defunct Dominion Party.⁸ A month later, *The Star* newspaper reported the formation of another right wing party, the Confederate Party, under Stanley Gurland, based on a 'Go South or Go Black' slogan.⁹ By 'going south' the party meant adopting separate development for blacks and whites – apartheid – as practised in the Union of South Africa. Sir Roy Welensky explained the resurgence of right-wing extremism as a function of outside events. He did not believe that events in colonial Zimbabwe brought about the switch in political thinking the general election of 1962 appeared to reflect.¹⁰ Instead, he had:

no hesitation in saying that the major cause for the switch arises from events in the Belgian Congo starting in 1960. Rhodesia saw the evacuation of the

⁵ Evans, 'The Role of Ideology in Rhodesian Front Rule.'

⁶ A number of factors were responsible for this: the quickened pace of Britain's decolonisation mission in Africa, and the rise of African nationalist politics with the attendant violence, urban riots, strikes and sabotage.

⁷ NASA, BTS, Letter from the High Commissioner of South Africa in Salisbury to Secretary for External Affairs, Pretoria, 20 May 1959.

⁸ *The Rand Daily Mail*, 2 April 1959.

⁹ *The Star*, 5 May 1959.

¹⁰ *The Times*, 28 January 1965.

Belgian refugees from Katanga. This was followed by the complete betrayal of the white man in Kenya by the Tory Government.¹¹

Consequently, according to Welensky, the average white in colonial Zimbabwe was determined to fight to prevent a repetition of what had happened in the Congo during what became known as the Congo crisis.¹² White settlers' determination to fight on, Welensky added, emanated from the fact that the wealth they had created in colonial Zimbabwe, in many cases, was all that they owned in the world.¹³ Against this background, the RF, a successor to the right-wing Dominion Party, became an instrument through which to fight for the protection of white settler privileges, which explains why it won the December 1962 election after only a few months of existence. The RF was considered as a solution to the 'liberalism' of the United Federal Party (UFP).

The actual mechanics of how the RF was formed and who constituted its nucleus have been adequately dealt with elsewhere.¹⁴ However, understanding its ideological thrust and by extension that of the white community which voted it into power, places the behaviour of colonial Zimbabwe tobacco growers into perspective, and is therefore useful to this Chapter. Apart from Evans, David Rowe makes another important observation about the behaviour of the white community in general, which explains tobacco growers' political attitude. According to him, 'racial attitudes and economic interests intertwined tightly in the fabric of Rhodesian politics.'¹⁵ Colonial Zimbabwe's race relations were deeply embedded in the structure of the national economy, as such, 'economic interests profoundly shaped the position of various groups on racial matters.'¹⁶ Tellingly, the white farming community and white labour were most opposed to black political and economic advancement. This was largely because they benefited most from the racially skewed structure of the colony's economy: low wages, racial segregation in access to land and suppression of black economic competition. Compounding the situation was the Congo crisis, which fanned popular white fears about the likely consequences of losing political power.¹⁷ With the demise of the Federation imminent, and the

¹¹ *Ibid.*

¹² *Ibid.*

¹³ *Ibid.*

¹⁴ See Evans, 'The Role of Ideology in Rhodesian Front Rule.'

¹⁵ Rowe, *Manipulating the Market*, 9.

¹⁶ *Ibid.*

¹⁷ *Ibid.* 7.

growing calls for majority rule, the white community in general, and tobacco growers included, hardened their attitudes and were swayed towards extremism and unilateralism.¹⁸

Evans and Welensky's explanations however do not provide a full picture of the political and ideological terrain of this period. For instance, apart from the push of external events, the RF regime's tight grip on the internal political landscape can also explain why some growers acquiesced to UDI. Ken Flower identified two features introduced by the RF into settler politics; a 'cowboy element'; and blatant intimidation of political opponents.¹⁹ Ian Phimister and Victor Gwande confirm this view. They describe the build-up to UDI as a period 'where opposition to the RF administration could be costly where it was not actually deemed treasonable.'²⁰ 'With African nationalist leaders in detention,' Phimister and Gwande note, 'white opponents of [UDI] were either removed from office or cowed into submission.'²¹ This was in addition to subtle manipulation of interest groups. For instance, speaking about the 1964 RTA Council, Ted Jefferys, the president complained about the RF policy of populating all influential bodies with as many party members as possible.²²

The sensitive nature of political considerations is also evident in the RTA's approach to its report on the impact of sanctions. Even after commissioning an investigative committee which made its findings on the negative effect of sanctions on Rhodesia's tobacco industry, the RTA still delayed publishing its findings.²³ The delay was occasioned by fear that publication of the report 'might hurt Smith's negotiations with the British Government.'²⁴ With the majority of growers being supporters of Government, the RTA was constrained. For instance, in opposition to the publication of the findings, Slack, an RTA Councillor:

disliked this exercise where we were proving the vulnerability of tobacco. We were pulling the chestnuts out of the fire for Mr. Wilson and providing him with the stick with which he could beat us.²⁵

¹⁸ This area has received significant scholarly attention. See for instance, L. White, *Unpopular Sovereignty*; C. P. Watts, *Rhodesia's Unilateral Declaration of Independence*; Kurebwa, *The Politics of Economic Sanctions*; and Frank Clements, *Rhodesia: The Course to Collision* (London: Pall Mall, 1969).

¹⁹ K. Flower, *Serving Secretly: An Intelligence Chief on Record, Rhodesia into Zimbabwe, 1963 to 1981*, (London: John Murray), 1987, 12.

²⁰ Phimister and Gwande, 'Secondary Industry and Settler Colonialism', 99.

²¹ *Ibid.*

²² *The Rhodesian Tobacco Journal*, 17, 2, (1965), 49.

²³ *Rhodesia Tobacco Today Supplement*, 50 Years On, 1978: Marking the 50th Anniversary of the RTA, 45.

²⁴ NAZ, RH 27/4/27, Rhodesia Tobacco Association: Minutes of a Special Meeting held on Wednesday, 28 October 1964.

²⁵ RTA Council: Addition to Council Minutes of the 9th December 1964. Minutes located in the ZTA library, Z.T.A. House, Harare. Cited in Hooper, 'The Political Economy', 184.

Tobacco growers, added another councilor, ‘had a great and grave responsibility towards [their] Prime Minister, in his struggle with another Prime Minister.’²⁶ The general feeling was that they could not let their Prime Minister down, or do anything that could be of great advantage to the other Prime Minister.²⁷ When the warning about the negative impact of sanctions on the tobacco industry was eventually sent out to growers, it was couched so as to ensure that no political construction could be placed on any sector of it.²⁸ Even then, the Minister of Agriculture, Lord Graham subjected the report to heavy criticism:

at this stage in the country’s history, attempting to raise ‘bogeymen’ was a disservice to Rhodesia ... the report appeared to be another manoeuvre designed to create unease among the people, especially the farming community.²⁹

Given this backlash against any resistance to UDI, the RTA’s objections were muted and were not enough to shake the regime’s determination to cut ties with Britain. The ideological and political considerations shaping grower behaviour were complicated by the hardening economic climate of this period.

Contrary to narratives that paint the tobacco industry prior to UDI in golden colours, this subsection demonstrates signs of trouble well before 1965. Building on the challenges highlighted in the previous chapter, the subsection analyses the industry’s economic experiences in the build-up to UDI, and how they were mitigated. By the end of 1962, the UK remained the most important market for colonial Zimbabwe’s tobacco industry, but not to the same relative extent, as formerly was the case. For instance, it absorbed two-fifths of all the tobacco exported, although reckoned in value it was well over half. Australia showed a major decline. This was because of its continuing policy of producing its own tobacco. The resultant losses were mitigated by new markets and through the expansion of older ones.³⁰ The European Common Market (ECM), for example, took 61 million lbs of Federation tobacco in 1962, constituting almost 30 percent of the total tobacco exports for the year.³¹ Another important feature of the year was the increasing role played by Far Eastern counties, which accounted for over 20 million lb. of the year’s crop.³²

²⁶ Ibid.

²⁷ Tobacco Export Promotion Council of Rhodesia: Minutes of the 17th Meeting held On Monday 10th May 1965, ZTA, Library. Cited in Hooper, ‘The Political Economy’, 185.

²⁸ *Rhodesia Tobacco Today Supplement*, ‘50 Years On’, 45.

²⁹ See *Rhodesia Herald*, 28 January 1965.

³⁰ *World Tobacco*, 1963, 23.

³¹ This underlines the importance that the Rhodesian tobacco industry attached to the ECM, explaining the serious apprehension and steps taken to mitigate any interference with this market, as discussed in the previous chapter.

³² *World Tobacco*, 1963, 23.

The year 1963, the last year of the Federation's existence, was a difficult one for the tobacco industry. The major cause of concern among tobacco buyers centered on the future of the European in the colony.³³ This was partly because of the 'generally sown seed of suspicion in Europe that a Black Nationalist surge from the North might sweep Europeans and the industry into the sea.'³⁴ Consequently, much time and effort were spent in reassuring customers that colonial Zimbabwe would continue to supply tobacco and the European was not about to abandon the country.³⁵ The situation was further worsened by the uncertainties brought about by the ECM, discussed in the previous chapter. Prime Minister Winston Field referred to this in his Foreword to the *World Tobacco* magazine of June 1963 when he conceded that new and greater challenges faced the industry in the future, specifically singling out 'the problems that are likely to arise because of the ECM.'³⁶ The dumping of US surplus tobacco in terms of Public Law (PL) 480 deals also discussed in the previous chapter continued, prompting a visit to Washington by a delegation led by John Graylin to discuss the problem with the US government. The trip did not yield positive results as the US told the delegation that their tobacco surplus for the 1955-56 season in stock was so deteriorating that it was necessary to dispose it at any price.³⁷ Amidst these marketing complications, the year closed with the dissolution of the Federation, which exacerbated the fear in Europe of the collapse of white rule. This increased doubt among buyers on colonial Zimbabwe's capacity to guarantee continuity of tobacco supply.

The dissolution of the Federation resulted in significant economic and financial changes in line with the need to transfer roles to territorial governments.³⁸ While Tinashe Nyamunda claims that 'the effects of financial changes on the Rhodesian economy were immediately positive, partially aided by the booming global commodity markets in the 1960s,' with respect to the tobacco industry the Rhodesian Bank Governor N. H. B. Bruce suggested otherwise.³⁹ Opening the 1964 RTA Congress, Bruce described 1964 as 'not an easy year for tobacco farmers.'⁴⁰ In a speech that projected the economic and financial outlook of the country, Bruce

³³ Hooper, 'The Political Economy', 167.

³⁴ NAZ, RH 27/12/4, Tobacco Export Promotion Corporation of Rhodesia, Minutes of the 28th Meeting held on Monday 13rd September, 1963.

³⁵ Hooper, 'The Political Economy,' 167.

³⁶ *World Tobacco* (Special Rhodesian Supplement), June 1963, 3.

³⁷ Hooper, 'The Political Economy', 167.

³⁸ See Nyamunda, 'Money, Banking.'

³⁹ *Ibid.*, 762.

⁴⁰ NAZ, MS 450-MS452/3, RTA, Fourth Annual Congress, Report of Proceedings on the 2-4th December 1964.

conceded that given the dissolution of the Federation, and the complications of associated financial reforms, the banking sector was facing some difficulties.⁴¹ Consequently, he added:

when the Federal monetary system ends in June [1965], credit would almost certainly be in short supply due to the fact that Rhodesia was not currently generating enough credit for its own needs, and that the advantage of surplus credit from the north (through copper revenues) would be lost.⁴²

It was in this context that he warned farmers that they could not ‘borrow from the banks as though they are able to turn on a tap of inexhaustible funds.’⁴³

Contrary to the view that there was a boom in global commodity markets, Bruce revealed in his opening speech that the price paid for tobacco in 1964 ‘was the lowest for years.’⁴⁴ In concurrence with this view, Hooper described the year as ‘one of the poorest marketing seasons, in price terms, since before the Second World War.’⁴⁵ Contributing to debate during the same Congress, TEPCOR Chairman John Graylin noted that the selling of tobacco was becoming more and more competitive. According to him, the industry ‘sweated financial blood over the selling of the crop.’⁴⁶ The challenges in the agricultural sector in general and the tobacco industry in particular had a bearing on the financial health of colonial Zimbabwe. This was because the banks’ deposits rose and fell quite sharply during the course of the year, reflecting to a large extent the seasonal movement in the flow of farming income.⁴⁷ While acknowledging banks’ duty to bear with a farmer who had had bad luck from one season to another, ‘they could not be expected to finance capital expenditure which should be met out of accumulated profits or perhaps by other forms of finance which were more suitable for this type of investment.’⁴⁸ When a ‘farmer employs his profits to buy a new car or undertake an overseas holiday visit,’ Bruce admonished, ‘the bank has a right to ask why he also needs an overdraft to erect new curing barns or to build a new dam.’⁴⁹

The tight national financial position highlighted by the Reserve Bank Governor above was reinforced at the 1964 RTA Congress. Soon after Bruce’s opening speech, financial matters topped the Congress’ agenda. One C. H. Fox expressed his concern about the growing

⁴¹ The changes included the issuing of own currency by own Central Bank, and an independent monetary area. For a more detailed account of financial reorganisation in the build-up and after UDI, see Nyamunda, ‘Financing Rebellion.’

⁴² NAZ, MS 450-MS452/3, RTA, Fourth Annual Congress, Report of Proceedings, 2-4th December 1964.

⁴³ *Ibid.*

⁴⁴ *Ibid.*

⁴⁵ Hooper, ‘The Political Economy,’ 170.

⁴⁶ NAZ, MS 450-MS452/3, RTA, Fourth Annual Congress, Report of Proceedings, 2-4th December 1964.

⁴⁷ *Ibid.*

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*

expenses of the association.⁵⁰ The second speaker, N. R. Germiston's contribution was much more revealing. Noting that the prevailing situation required 'a really increased interest now on the finance of the RTA' than before, he suggested that the association's balance sheet should be sent to the districts much earlier to give them ample time to go through it. Nothing could be taken for granted in the circumstances. Another suggestion he made was that given 'the present financially stringent times, levy should be reduced to a minimum and reserves should be built later.'⁵¹ Although the resolution was withdrawn, the Congress was urged to take note of it. The Odzi RTA district's call for 'the vital necessity for economy' in view 'of the present condition of the tobacco industry' was a clear admission of the financial difficulties bedeviling the local tobacco industry.⁵²

Other RTA district resolutions that came up for discussion at the Congress also revealed other difficulties facing the industry. For instance, in a precursor to the diversification drive of the post UDI era, Karoi/Tengwe RTA district brought the following resolution:

That Council considers increasing the present Tobacco Levy so as to facilitate the establishment of a Special Development Fund out of which loans could be made to members of the RTA of at least five years' standing, who are genuinely seeking to reduce their production of Virginia tobacco in favour of alternative lines of production; the Fund to be administered by the Land bank on strictly commercial lines in consultation with the RTA.⁵³

Moving the motion for the district resolution, T. H. P. Bashford explained that the biggest worry in the industry was the bumper harvest of the previous season and this resolution was crafted with a view of addressing over-production. He acknowledged the need to reduce the level of tobacco production in order to remain competitive on the market.⁵⁴ For Bashford, the question was not so much how to persuade each other to produce less tobacco but rather, how to help each other to produce something else.⁵⁵ Although the resolution divided opinion, it was generally agreed that over-production blighted the industry. A vocal section of growers was becoming alive to the need to diversify as a way of dealing with this problem of over-production in the industry.⁵⁶

The problems bedeviling colonial Zimbabwe's tobacco industry were not only production-related. The selling system was also a matter of concern to many growers. Despite

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ Ibid.

the fact that an RTA commissioned committee into tobacco marketing systems had, in 1962, recommended the continuance of the free auction system, Mrewa/Mtoko RTA district delegates called for a re-investigation of the selling system.⁵⁷ Presenting the resolution, C. Rose argued that the system had so many inherent disadvantages, which made it ‘basically unsound from the industry’s point of view and downright unacceptable as far as the grower [was] concerned.’⁵⁸ Emphasizing the unsuitability of the system, he noted that it worked:

when our crop was relatively small and bolstered by a rapidly expanding market for our tobacco. Under the prevailing situation of ‘a buyers’ market and world over-production of flue-cured tobacco, I submit that our auction system is outmoded and leaves the grower at a serious disadvantage in relation to the buyer, who can pick and choose his purchases not only on our own market, but throughout the markets of the world.⁵⁹

While there were a number of reasons for wanting a change, the main one, before which all others paled into insignificance, was the variation in price for similar tobacco.⁶⁰ According to Rose, these were so pronounced that they fell outside the scope of the ‘normal variation in pricing any article.’⁶¹ For instance, during the 1962 season 1,769 re-offered bales made an average of £4 per bale on resale, a figure more than double the originally offered price.⁶² A system which tolerated such variations, Rose argued, could only ‘be described as rotten for Rhodesian tobacco growers and very bad for our economy as a whole.’⁶³ To demonstrate the pervasiveness of these views among growers, Congress unanimously adopted the resolution calling for the re-investigation of the selling system.

Apart from the mechanics of selling on the auction floors, the marketing environment itself hardened during this period. The statements by Graylin and Bruce on the difficulties of selling the 1964 crop are instructive. The challenge was also acknowledged during debate on the Bromley resolution to the RTA Congress of the same year, which called upon TEPCOR, and the RTA to ‘re-double their efforts to increase and expand the tobacco markets of the world for Rhodesian tobacco.’⁶⁴ Contributing to debate on this resolution, Fox further revealed the tightness of the world tobacco markets. Describing this as the most important resolution before Congress, Fox noted that the industry had reached a stage where the colony had a lot of tobacco

⁵⁷ The Mrewa/Mtoko resolution called for re-investigation of alternative methods of selling with a view to reducing the disadvantages suffered by growers under the obtaining system.

⁵⁸ NAZ, MS 450-MS452/3, RTA, Fourth Annual Congress, Report of Proceedings, 2-4th December 1964.

⁵⁹ *Ibid.*

⁶⁰ *Ibid.* This problem was long-standing. The previous chapter has discussed how the issue threatened to plunge the auction floors into chaos as growers tore tickets in thousands with buyers retaliating in equal measure.

⁶¹ *Ibid.*

⁶² *Ibid.*

⁶³ *Ibid.*

⁶⁴ *Ibid.*

to sell in very fierce competition with other people from all over the world.⁶⁵ To mitigate the problem, he went on to suggest that Trade Commissioners be stationed in places like Western Europe and the Far East and that if government could not fully foot the costs of such a venture the RTA should be prepared to augment

The challenges facing the industry divided growers. One such divisive issue was the RTA Production Control Scheme.⁶⁶ In response to the huge crop of 1964, which depressed quality and price, to control output the RTA proposed a ‘voluntary’ quota system. This would be backed by legislation when necessary. In terms of the scheme poundage, production quotas would be allocated to growers on the basis of a percentage of the largest annual weight sold during the previous three seasons, the cut amounting to about one-third of a grower’s best output.⁶⁷ A resolution opposing the scheme divided growers along the lines of place and size of production. G. J. C. Nel from Umvuma, for instance, argued that the scheme favoured the big grower at the expense of the small grower. He charged:

If they had not been any small growers in our history, there would not be any growers today. You improve on the big producer and increase his percentage, on the small grower you take it off ... Is this county only meant for the big producers and the small man is not taken into consideration?⁶⁸

Responding to this line of criticism RTA Councillor for Inyazura, de Kock, conceded the inequalities but justified the scheme in the following terms:

I want us all here today to decide in our own heart of heart, that we had no option but to have control this year. Let us be honest about that. You accept that you have to have control, you also have to accept the fact that you are going to have inequalities. We are having complaints here today based on the system that is being put into force. I want you all to be fair – if we had agreed to another system of control, we would have had the same arguments but not by the same individuals.⁶⁹

The control scheme bitterly divided opinion to an extent that fissures emerged within the ranks of growers. A group that was fiercely opposed both to the system and the manner in which the RTA imposed it became known as the ‘rebel group’ or ‘a minority of dissidents.’⁷⁰ The group was so forceful that debate became very heated and uncivil, forcing the RTA

⁶⁵ Ibid.

⁶⁶ Ibid.

⁶⁷ Hooper, ‘The Political Economy,’ 172.

⁶⁸ Ibid.

⁶⁹ Ibid.

⁷⁰ Ibid.

President to intervene to calm the situation.⁷¹ He called upon members to ‘to try and take any personal feeling out of it’, encouraging them to ‘keep to the facts and by that means arrive at whatever conclusions ... with reasonably good feeling.’⁷² There was no consensus over how production control could be implemented, with Bashford resurrecting his rejected resolution on diversification in this debate. He reiterated that ‘the answer to over-production is not much to stop producing as to turn your energies to producing something else.’⁷³ After heated debate, production control was adopted and a national limit of 250 million lb. of tobacco was agreed upon. While the scheme was ‘voluntary,’ Government enacted legislation that empowered the Minister of Agriculture to impose statutory controls if need be.

In February 1965, it became obvious that the industry’s production would be less than 250 million lbs limit.⁷⁴ In response, all production quotas imposed were dropped and growers were allowed to market all the crops they had grown.⁷⁵ Apparently, more than half of the growers had exceeded their quotas courting the ire of those who had religiously stuck to their production quotas.⁷⁶ One of these was a ‘Mr. A. F. Farmer,’ who, in a letter to the *Rhodesia Herald* editor, castigated the RTA as ‘a most inept body which had no confidence in itself,’ charging that it ‘failed to inspire confidence in the people it was supposed to represent.’⁷⁷ The question of farmers who exceeded their limit was later to become a source of much indignation among growers after the imposition of sanctions and the introduction of mandatory quotas by the Tobacco Corporation. The quotas allocated were based on a grower’s level of production during three previous seasons. Apparently, those who had defied the RTA’s voluntary scheme and produced more benefitted in the allocation of sanctions-inspired quotas. Growers who had heeded the call and stuck to their quota felt that they were being punished for being compliant. It is not surprising that when a referendum was called in June 1965 to decide on whether to continue with controls, ‘an overwhelming majority’ rejected the scheme. Like in the 1964 debate on production control, the 1965 one also triggered divisions both among ordinary growers and within the RTA Council. ‘The division is largely between the Highveld and the north,’ reported the *Rhodesia Herald*. The report explained that:

⁷¹ Ibid. There were accusations of dictatorship and being ‘daft’ and ‘sinister.’ Some called for a vote of no confidence whilst others felt that a vote of censure would suffice to warn the RTA that in future when they had to decide something of a major nature affecting the industry, they needed to consult widely.

⁷² Ibid.

⁷³ Ibid.

⁷⁴ Hooper, ‘The Political Economy,’ 176.

⁷⁵ Ibid.

⁷⁶ Ibid.

⁷⁷ *Rhodesia Herald*, 6 March 1965.

The north fears that unbridled production will result in large quantities of low-grade tobacco, lessening the demand for the quality product. The highveld is afraid that if there is an abundance of good tobacco, lower qualities will cease to find a market.⁷⁸

Within the RTA Council, President Ted Jefferys was vehemently opposed to controls, contrary to the majority of councilors' view. He even went on to court controversy when he made his opinion public.⁷⁹

Apart from the local economic questions discussed above, an unfavorable global tobacco trade environment and high political dramas between Britain and colonial Zimbabwe characterised the period towards UDI. On the global tobacco market scene, demand for tobacco was falling despite an increase in the number of cigarettes being consumed.⁸⁰ A combination of factors was responsible for this scenario. For instance, the period was characterised by declining annual rate of increase in the use of tobacco for manufacturing due to two factors. Firstly, as the cigarette took hold, other forms of tobacco consumption declined. Secondly there was a shift towards filter-tipped cigarettes, which utilised relatively smaller quantities of leaf. In addition to this, improvements in manufacturing increased production efficiency such that little of the leaf could be discarded. The situation was compounded by Britain's action in 1965. To reduce dollar expenditure and to discourage smoking for health reasons, Britain significantly increased all rates of duty on tobacco. It is no wonder why despite producing 'the best quality crop for years,' prices at the Salisbury auction floors in 1965 'remained disappointing.'⁸¹

On the political scene, 1965 was a defining year for colonial Zimbabwe and its tobacco industry. Politically, it was becoming abundantly clear that efforts to prevent UDI were failing. On 22 January of the same year, and after hesitations, the RTA published its findings on the likely impact of sanctions on the industry. The findings were that UDI would result in the loss of key markets and the long-cherished Imperial Preference, and therefore was disastrous to the industry. This raised controversy among growers. According to Hooper, 'numerous farmers' associations came out in opposition to the RTA's memorandum.'⁸² For instance, the Inyazura Farmers' Association described the memorandum as a 'grave disservice to the industry,' and considered the council's suggestion that there would be a British trade embargo as

⁷⁸ *Rhodesia Herald*, 29 June 1965.

⁷⁹ *Ibid.*, 24 June 1965.

⁸⁰ Hooper, 'The Political Economy,' 178.

⁸¹ *Ibid.*, 180.

⁸² *Ibid.*, 190.

‘preposterous.’⁸³ They even went to the absurd extent of suggesting that UDI ‘would stimulate the tobacco industry and give impetus to the development of the country.’⁸⁴ The only alternative to UDI, they reasoned, was an African government that ‘would be the death knell of the tobacco industry.’⁸⁵ Growers’ associations in Gatooma, Hartley, Chakari and Battlefields resolved that they ‘would prefer the possible consequences of UDI, as expressed in the report of the RTA Council, to the alternative of a black government.’⁸⁶ More successful and experienced growers such as Evan Campbell and Ted Jefferys cautioned against the negative impacts of UDI but their voices ‘were washed away in the Rhodesian Front’s campaign for independence at any price.’⁸⁷

It was probably the seemingly contradictory behaviour of tobacco growers that led Hooper to mistakenly conclude that:

UDI appears to have been a strictly emotional business where political and economic consequences were pushed into the background as the overwhelming fear seems to have been that of government by Africans.⁸⁸

He was even more emphatic in asserting that ‘economics did not play a part for tobacco growers.’⁸⁹ What Hooper missed was that UDI in itself was a political and economic statement. The fear of ‘government by Africans’ was not an ‘emotional business’ as he suggests. Instead, it was grounded in the perceived economic and political implications to emerge out of majority rule, and this was often viewed in the context of what happened to whites during the Congo crisis and in other countries to the north. The decision to support UDI was therefore a conscious political and economic response to the perceived economic and political dangers facing the white community in general, and farmers in particular.

What is clear from this discussion is that even before UDI, colonial Zimbabwe’s tobacco industry faced a multiplicity of challenges from both production and selling spheres. The challenges divided opinion among growers and threatened to derail the smooth running of the industry. A year before UDI, growers were already calling for a voluntary production control system to save the industry from collapse, and they could not agree on the mechanics of control. On the other hand, growers from such areas as Karoi and Tengwe were calling for

⁸³ NAZ, RH27/8/4/27, Minutes of a Meeting held on Wednesday 10 February and continued on Thursday 11 February, and Wednesday 27 February, 1965.

⁸⁴ Ibid.

⁸⁵ Ibid.

⁸⁶ Ibid.

⁸⁷ Hooper, ‘The Political Economy,’ 196.

⁸⁸ Ibid, 191.

⁸⁹ Ibid, 191-2.

RTA supported diversification initiatives, which growers from other regions rejected vehemently. As the build up to UDI escalated, tobacco growers of Rhodesia were not standing on firm ground. Disunited and facing production related and selling challenges, the industry was at its weakest since the end of the Second World War.

‘Britain was not Bluffing’: Rhodesia’s Tobacco Industry Under Sanctions, 1966-72

In February 1965, the *Rhodesia Tobacco Journal* braved Government criticism to publish an editorial stating that Britain was not bluffing, and that her threat to impose sanctions in the event of UDI was real.⁹⁰ Despite criticism from government supporters and the Agriculture Minister, the *Rhodesia Tobacco Journal* reiterated that regardless of rationalisations given in political circles, should the British Board of Trade wish to prohibit the entry of Rhodesian tobacco, it was in a position to do so. It went on to note that given the pressure exerted on Britain by the Commonwealth and the Afro-Asian lobby at United Nations (UN), she would not hesitate to preserve the Commonwealth at colonial Zimbabwe’s expense, adding that, it was wishful thinking to believe otherwise. True to this, when Smith announced UDI ten months later, sanctions immediately followed. One of the key targets of the sanctions regime was the tobacco industry.⁹¹

Prior to UDI, British Prime Minister Harold Wilson had confidently predicted that Rhodesia would not survive for long and would collapse ‘in a matter of weeks and not months’.⁹² With specific reference to the tobacco industry, an international tobacco magazine published in Britain, *World Tobacco*, predicted that ‘the situation would be graver by end of 1966’ if the sanctions were not lifted, or if they did not ‘leak so badly that they became useless.’⁹³ In that case, *World Tobacco* opined, the huge tobacco infrastructure (selling, buying and packaging) would have been idle for a full season, staffs would have dispersed and farmers would start looking for alternative crops.⁹⁴ Focusing on this period, this section analyses the measures taken by the tobacco industry to forestall these predictions. It traces the structural changes in the tobacco industry necessitated by the imposition of sanctions on the industry.

⁹⁰ *Rhodesian Tobacco Journal*, Editorial, February 1965.

⁹¹ For a detailed discussion of the various UN resolutions on colonial Zimbabwe, see A. S. Mlambo, ‘Honoured More in the Breach than in the Observance’: Economic Sanctions on Rhodesia and International Response, 1965 to 1979,’ Paper presented to the Colloquium on Isolation and Liberation on the Global Periphery: Diplomacy and Quasi-Diplomacy during the Rhodesian UDI era held at the University of Pretoria, 27 and 28th June 2018.

⁹² Cmnd.2890, Commonwealth Prime Ministers’ Meeting, Final Communiqué Lagos, 12 January 1966, cited in Richard Coggins, ‘Wilson and Southern Rhodesia: UDI and British Policy Towards Africa’, *Contemporary British History*, 20, 3 (2006), 271.

⁹³ *World Tobacco*, Editorial, December 1965.

⁹⁴ *Ibid.*

The tobacco industry consisted of two major interests, growers organised within the RTA, and the trade represented by the TTA, and comprised of such enterprises as merchant buyers, auction floors and packing houses. Examining the impacts of sanctions on these interests brings to the fore the activities of the Tobacco Corporation, a statutory body charged with the task of shepherding the tobacco industry through the murky waters of sanctions. Bringing the Tobacco Corporation Bill to parliament in 1966, the Minister of Agriculture told MPs that that the Corporation's establishment 'was a necessary procedure for the protection of our tobacco industry against the political actions taken against this country.'⁹⁵ Although this was a departure from the 'traditional system of free and unfettered auctions,' the steps taken were considered 'absolutely necessary' for the survival of the industry.⁹⁶ According to the minister, the tobacco industry was a major target of the colony's 'enemies,' hence, it bore 'the brunt of the machinations of those whose only interest [was] to encompass [the country's] downfall.'⁹⁷ Apart from keeping growers on the land, the Tobacco Corporation was 'specifically charged to endeavor to maintain viability in all sectors of the industry.'⁹⁸ This was meant to maintain the nucleus of skills and the operational infrastructure necessary to form the basis of a return to full-scale tobacco production in the event of sanctions being removed.⁹⁹

The year 1966 came and passed, and Britain imposed sanctions on the Smith regime before the United Nations expanded them to make them more comprehensive.¹⁰⁰ As the story of Ginger Freeman bears testimony, the sanctions leaked, but not to the extent of becoming useless.¹⁰¹ In view of the *World Tobacco* prediction, this section examines the position of the colonial Zimbabwe's tobacco industry in the post-UDI era to nuance Rhodesian sanctions historiography. Despite concurring that the colony's tobacco industry was Britain's soft sanctions target, historians of colonial Zimbabwe have not seen the need to put it under scholarly microscope through taking a sectorial approach to its study. David Rowe's chapter on tobacco and sanctions is an attempt in this direction. However, his analysis was blighted by an overemphasis on theorising the so-called 'market manipulation' and political capture of the industry. Consequently, he became guilty of cherry-picking evidence and railroading it to

⁹⁵ *Ibid.*

⁹⁶ *Ibid.*

⁹⁷ *Ibid.*

⁹⁸ NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers.

⁹⁹ *Ibid.*

¹⁰⁰ UN Security Council, *Security Council Resolution 253 (1968) [Southern Rhodesia]*, 29 May 1968, S/RES/253 (1968), available at: <http://www.refworld.org/docid/3b00f27434.html>, accessed 22 July 2018.

¹⁰¹ For sanctions leakages see the story of Ginger Freeman – the Tobacco Corporation Managing Director, and later chairman – who was a key player in the business of sanctions busting, in Armstrong, *Ginger Freeman, Tobacco Spiced with Ginger*.

support his theory. For instance, as the last section of this chapter will show, his conclusion that local growers were reduced to ‘muzzled dogs which could not bark’, is not supported by available evidence.

The imposition of sanctions on colonial Zimbabwe firstly by Britain, and later by the UN resulted in a major shift in the reconfiguration of the colony’s tobacco industry. In a marked departure from the bravado of the build-up to UDI, the Smith regime appreciated the magnitude of the problem facing it. For instance, J. H. Howman, Smith’s Minister of Information, Immigration and Tourism had the following to say:

We must be under no illusions as to the extent and nature of the war being waged against us. The economic war will be one of the utmost intensity designed to disrupt and destroy the lifelines of trade and bring us to our knees. The psychological war designed to disturb, demoralize and ultimately destroy the fabric of government, will be of fiendish subtlety and a measureless ordeal.¹⁰²

In view of this, the regime abandoned its long-held *laissez-faire* approach to the colony’s tobacco industry and became more interventionist. The first step taken by the regime in respect of the tobacco industry was to enact the Tobacco Corporation Act of 1966. This piece of legislation created a legal framework to guide the under-siege local tobacco industry. An important creature of the new statute was the Tobacco Corporation whose original mandate was to purchase and dispose of tobacco grown in 1965/66 and, if necessary, 1966/67. The new system meant that the free and open auction floor system which had been associated with the Salisbury auction floors since 1936 came to an abrupt end. In its place came what was termed ‘silent auctions’ characterised by secrecy as dictated by the desire to protect sanction-busters. As RTA President, A. Sandy Firks observed, sanctions ‘turned one of the country’s most unfettered industries into one of the most tightly controlled.’¹⁰³ Interestingly, the government’s belief that sanctions were going to be short-lived was evident from the duration of the Tobacco Corporation Act which was initially to be operational for only two years. The Act was only amended in 1968 to extend the life of the Corporation and to give it greater flexibility in the acquisition and disposal of tobacco, in view of the failure of diplomatic initiatives to settle the dispute over independence.¹⁰⁴

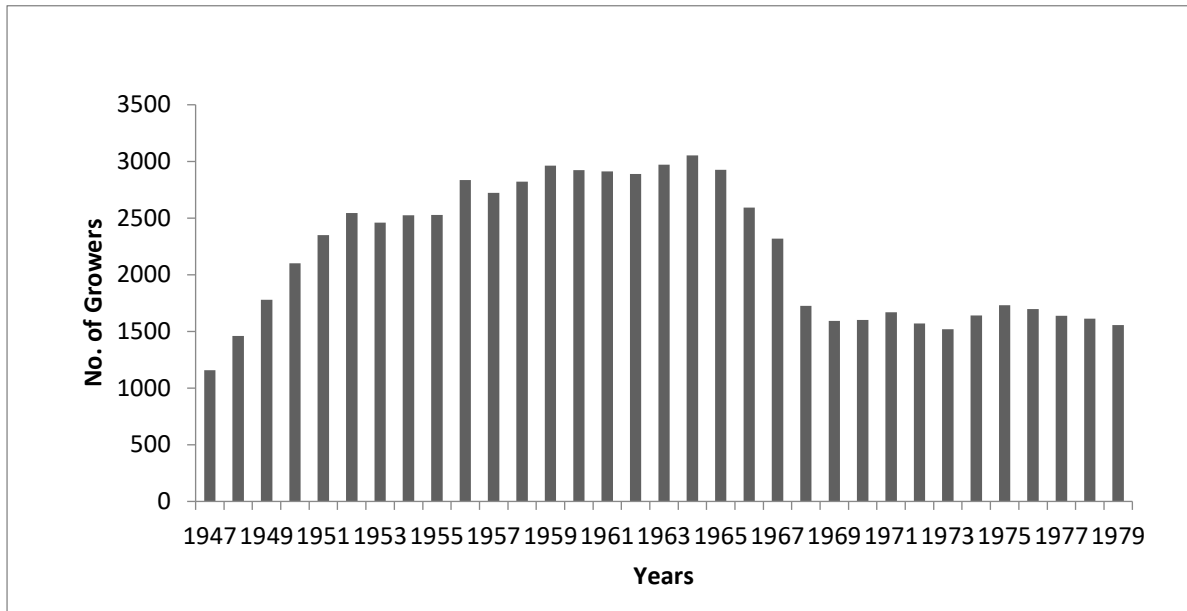
¹⁰² NASA, DEPT LTD, File R2823, Speech by Minister of Information, Immigration and Tourism, The Hon. J. H. Howman, to the Rotary Club of Salisbury on Thursday, January 6, 1966.

¹⁰³ See, *Rhodesia Herald*, 3 October 1969.

¹⁰⁴ Whilst the measures taken by Government resulted in financial embarrassment, other important factors played a part in persuading Government to support the tobacco industry. See RUCL, Smith Papers, (Unprocessed), Minister of Agriculture, Cabinet Memorandum, 2 February 1968. Part of it was to substantially reduce, if not avoid, the social and security problems which would follow massive unemployment; maintain the packing houses

One of the clearest impact of sanctions-induced changes was a fall in the number of productive growers, and with it acreage under tobacco and the national tobacco output.

Fig. 2: Number of Tobacco Growers, 1947-79



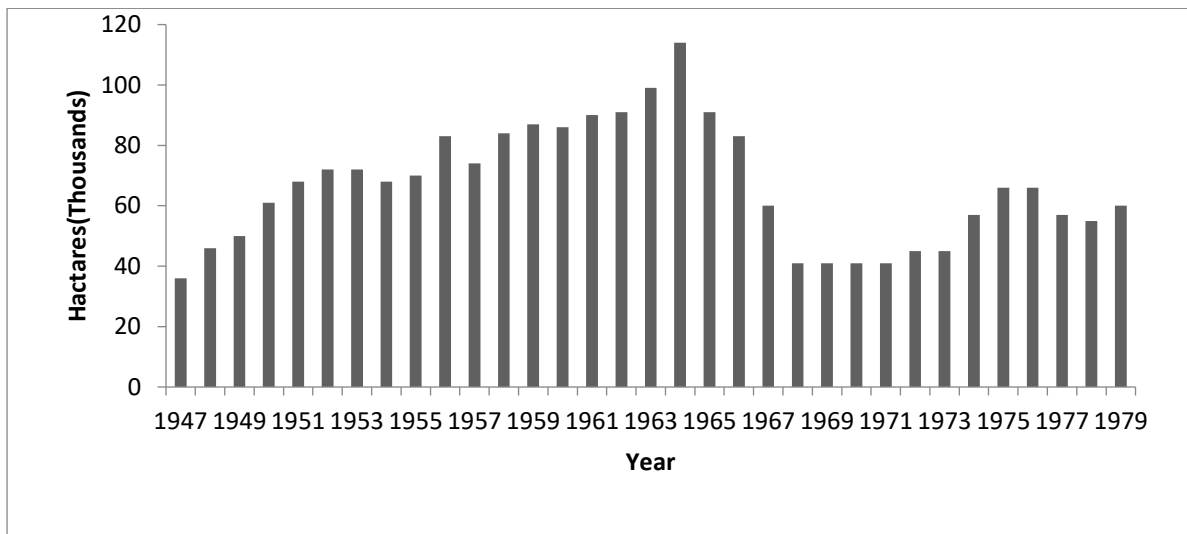
Source: Compiled by author from TIMB statistics.

Figs. 2 above and 3 below depict trends in the number of growers and the acreage put under tobacco from 1947 to 1979.

The period after UDI shows massive reductions in both the number of growers and the area put to tobacco.

and auction floors; avoid serious repercussions in other sectors of the economy which would result from a severe reduction in purchasing power; and still give Rhodesia a fighting chance in the tobacco markets of the world. The overriding importance of other factors than the purely economic and financial ones was also raised by the Ministerial Economic Coordinating Committee Memorandum when called upon to deal with payments for drought relief to tobacco growers. See, RUCL, Smith Papers, Ministerial Economic Coordinating Committee Memorandum to Cabinet, Drought: 1967/68 season, 18 March 1968.

Fig. 3: Area under Tobacco in Hectares, 1947-1979



Source: Compiled by author from TIMB statistics.

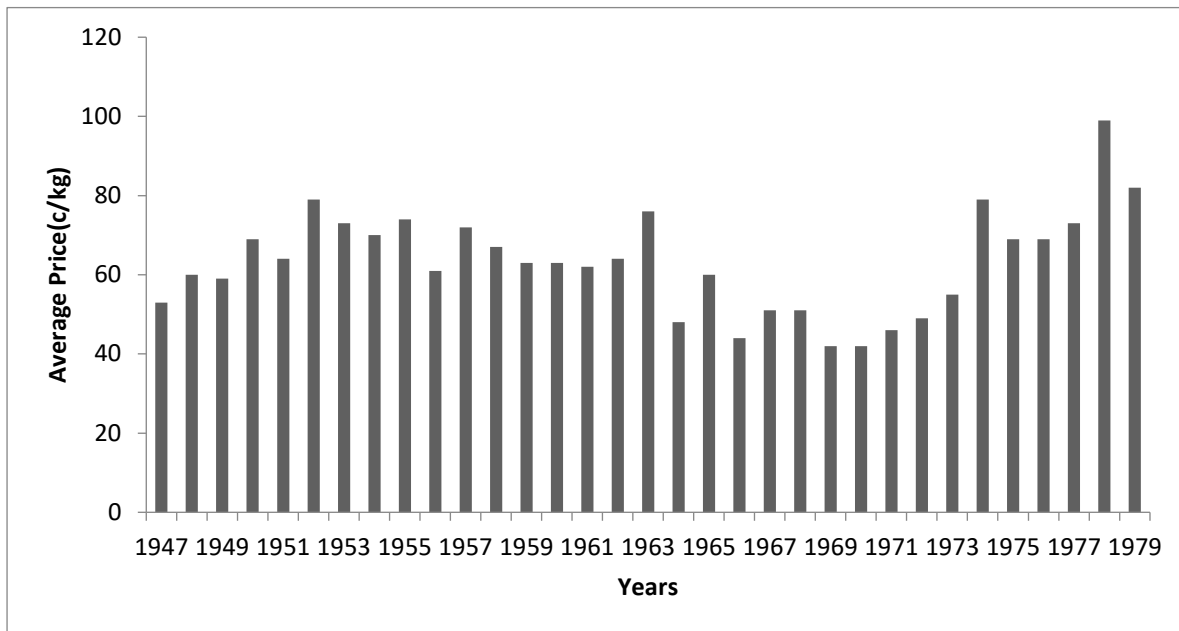
The number of growers fell from a high of 3,054 before sanctions to a low of 1,556 by 1979. Connected to this, the area under cultivation was reduced from 91,360 ha to 59,631 ha with yield increasing from 1,080 kg/ha (2381 lbs) to 1,872 kg/ha (4,127 lbs) over the same period. The increase in yield per ha was reflective of improvement in efficiency in the production of the tobacco crop. The slim profit margins as a result of sanctions meant that only the most efficient growers remained in business.

The impact of sanctions was not restricted to production. As highlighted earlier, selling changed from free auction sales to a new system. The actual mechanics of the new system started with the farmer bringing his crop to the Tobacco Corporation where the TMB classified it according to recognised grades. The Tobacco Corporation fixed a price on each classification grade and it adjusted these prices as fairly as possible in relation to the selling price of that tobacco.¹⁰⁵ Once the TMB finished crop classification and the Corporation paid the reserve price to the grower, ownership of the crop passed to the Corporation, which assumed the responsibility to dispose of, or stockpile, it depending on the circumstances. Government pledged that whereas any profits that could eventuate from the disposal of tobacco would be for growers, any losses incurred would be for its account. Predictably, it was the question of both classification and the reserve price rate which generated much discontent among growers, pitting them against the new buyers, government. The growers' complaints over pricing were not without basis as prices plummeted during the first years after UDI.

¹⁰⁵ *Tobacco in Capricorn Africa*, Supplement to World Tobacco, May 1972, 29.

By taking over the buying of tobacco, the government inherited the long-standing buyer-grower feud discussed in Chapters Two and Three. Contrary to the view that government control of the tobacco industry silenced growers, there were vociferous contestations over low producer prices which manifested themselves in the press, in parliament and during RTA district meetings. As will be elaborated in the next section on grower-state relations, growers often wrung considerable concessions from the regime.

Fig. 4: Average Tobacco Prices in Cents/Kilogramme, 1947-1979



Source: Compiled by author from TIMB statistics.

In the area of production, the Corporation introduced quotas to reduce the overall crop weight. Table 2 below depicts the target crop weight, guaranteed prices and Tobacco Corporation purchases for the years 1966 to 1970. The Tobacco Corporation had the unenviable task of striking a delicate balance between allowing growers to produce enough to remain economically viable, while at the same time making sure that such output did not increase the stockpile to unmanageable, costly and problematic levels. In order to distribute production equitably, annual legislation was introduced to provide for the quota system. Under this legislation, an Allocation Committee first set a basic quota for each quota holder in relation to his past performance, depending on such considerations as farm size and number of barns.¹⁰⁶ This quota, which related to capability, remained unchanged from season to season. Each

¹⁰⁶ NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers.

grower's quota was then reduced to a marketing quota to match the total marketing quotas with the government's target figure for each year's crop.¹⁰⁷

In 1966/7 when the target figure was about 91 million kg, allocation was achieved by a simple pro-rata reduction from the basic quota for each grower. However, in 1967/68 when the target figure was further reduced to 60 million kg, government accordingly offered to buy part of growers' provisional marketing quota which they were prepared to forgo for the following three years.¹⁰⁸ Conditions attaching to the compensation were that quotas surrendered in 1967/8 could be bought back at a stipulated price in 1968/69 and in 1969/70.¹⁰⁹ Finally, in 1970/71, all growers would be able to take up their full provisional marketing quota (PMQ), totalling 91 million kg. Government managed to purchase approximately 24 million kg worth of tobacco quotas thereby reducing the number of growers in production by 1,090.¹¹⁰ While Government quota purchases went some way in stabilising the tobacco industry, it created problems. It brought divisions within the growing side of the industry as the re-entry of those growers who had sold their quotas was resisted by those who remained in production. The re-entry of growers who sold or voluntarily surrendered their PMQs in previous years against the reduced target of 45 million kg would render tobacco growing economically unviable, 'particularly the grower on a small sand veld farm who simply [could not] survive without tobacco.'¹¹¹ Operating under controls was not an easy thing. Firks summed up the challenges:

We accept the need for control, but unfortunately, control always creates anomalies. Every year since control was first introduced we have tried to improve it so as to eliminate these anomalies. The result has been that the control scheme has grown more complicated – and with complication came further anomalies.¹¹²

¹⁰⁷ To summarise: each grower had a basic quota in terms of normal pre-UDI operating conditions; a provisional marketing quota reducing his basic quota in relation to a crop of 200 million lbs; and a final marketing quota, obtained by reducing his provisional marketing quota in relation to the crop target figure set by Government any year.

¹⁰⁸ This referred to that amount of quota to which a grower would be entitled if the target figure were fixed at 200 million lbs.

¹⁰⁹ RUCL, Smith Papers, Memorandum on the Tobacco Industry by the Tobacco Working Party.

¹¹⁰ Ibid., Cabinet Memorandum by the Minister of Agriculture, Tobacco Quotas, 22 January 1970.

¹¹¹ Ibid. The possibility of re-entry of growers who previously sold their quotas against a diminishing annual target meant massive reduction of amount of FMQ available to individual growers. Many growers would find it difficult to continue to produce tobacco on a viable or economic basis. This would lead to an exodus from tobacco.

¹¹² *Rhodesia Herald*, 12 June 1971.

Table 2: Pricing and Payments to Growers, 1966/7-69/70

Year	Guaranteed Average price (cents)	Crop target (million kg)	Purchases (million kg)
1966/7	28	90.72	82.61
1967/8	28	59	52.25
1968/9	25	59	55.97
1969/70	25	59	-

Source: NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers.

The challenges that government faced in the 1970 season were well articulated by the Minister of Agriculture in his Cabinet memorandum of 22 January 1970. He summarized the situation as follows:

Three years ago, Government offered to buy up tobacco quotas at the rate of 6d. per lb. for a period of three years. Approximately 52 million lb. of tobacco quotas were purchased. The three-year period expires with the 1969/70 crop. The target for the 1970/71 crop and 1971/72 crop is 100 million lb. which is a reduction of 32 million lb. from the 1969/70 target. There will, therefore, be a severe reduction in the quotas of present growers, which will be even more severe if a large proportion of those who sold quotas three years ago decide to re-enter the industry. I believe that the majority of those who sold quotas will re-enter the industry unless an inducement is offered to keep them out. This belief is based on information gathered from talks with many growers and from Extension Officers.¹¹³

In response to the challenges facing growers, the minister made a raft of suggestions. For instance, he proposed that government should offer to buy provisional marketing quotas up to a maximum of a 100 million lbs (453,597 kg) weight at 5c per lb. Growers who sold their quotas would have to remain out of production until the national target reached 200 million lbs (907,194 kg) except in circumstances where a man sold his farm. In that case, the quota could be reinstated upon repayment of the whole amount paid for the quota. Government would then offer the quotas purchased for resale at ½ cent per lb per annum. Quotas sold would be allocated in terms of a formula that favoured the small grower who was dependent upon tobacco as his main crop, with income tax on receipts from the sale of quotas spread over five years.¹¹⁴

These proposals met with strong resistance from the Treasury which argued that the previous payment for surrender of quotas was designed to provide cash to enable farmers to

¹¹³ RUCL, Smith Papers, Cabinet Memorandum, Minister of Agriculture, 22 January 1970.

¹¹⁴ Ibid.

diversify to other crops. According to the Treasury this was done with remarkable success. In those circumstances, Treasury argued that there was no need to make further payments to these farmers. Treasury further argued that the possession of marketing quota merely conferred a right to grow tobacco, which the farmer was free to exercise as he saw fit.¹¹⁵ The situation should not be permitted to deteriorate into an entrenched right to receive payment for not growing, Finance Minister John Wrathall, added. On the other hand, the RTA also resisted this move, arguing that there were a number of former growers who had no intention whatsoever of growing tobacco again in present circumstances. Payment to these growers was wasteful and unnecessary.¹¹⁶ However, despite these misgivings, on 10 June 1970, the *Rhodesia Herald* reported that fears that tobacco quota buying and selling scheme might not achieve its objective ‘proved to be unfounded.’¹¹⁷ Nearly 800 growers reportedly sold their quotas to the government in terms of the scheme. The volume of tobacco involved was close to 44 million lbs (20 million kg). About 40 growers surrendered without financial compensation. These were allowed to apply for their quota again the following season. Those who sold their quotas would not be permitted to return to production before the annual crop target again exceeded (200 million lbs) 90 million kg. Allocation of the tobacco quotas bought by the government was done in terms of a formula which favoured the small grower who was dependent upon tobacco for his livelihood.¹¹⁸

Running concurrently with government assistance in the production and marketing of tobacco was the policy of diversification. The words of the Minister of Finance, whilst resisting further purchase of quotas by government, reflected the official view which was that, tobacco growers diversified into other crops ‘with remarkable success.’¹¹⁹ Conventional wisdom on colonial Zimbabwe’s sanctions history is that the restrictive measures were a shot in the arm for the colony’s agriculture as tobacco growers successfully diversified to other crops. Preoccupied with the objective of either showing how sanctions succeeded or failed, no work has sought to examine how diversification worked, and what considerations drove or undermined it. There has also been no study focusing on dynamic power relations among key stakeholders due to diversification. Contrary to perceptions of a smooth sailing programme

¹¹⁵ *Ibid.*

¹¹⁶ *Ibid.*

¹¹⁷ *Rhodesia Herald*, 10 June 1970.

¹¹⁸ *Ibid.*

¹¹⁹ RUCL, Smith Papers, Cabinet Memorandum, Minister of Finance, 24 January 1970.

executed without any glitches, diversification like any other programme of its magnitude experienced a fair share of challenges.

When in 1967/68 the target crop weight was reduced to 132 million lbs (60 million kg) and growers were given incentives to surrender their quotas at a price of 6d. per lb, government availed special credit at reduced charges through the Agricultural Diversification Scheme (ADS) administered by the Agricultural Assistance Board (AAB). Additional special credit was made available through the Farm Irrigation Fund (FIF). These facilities provided loans on favourable terms to enable tobacco farmers to diversify their agricultural production and, where suitable, to introduce or extend irrigation on their farms. The total funds employed to this end by 1968 were £1,351,344 for diversification loans, and £1,500,000 for the revolving FIF.¹²⁰ Even with considerable state assistance, growers were cautious in their approach to diversification. Leading growers such as Carol Heurtley warned against rushing to embrace diversification without due diligence as this could spell disaster and financial ruin.¹²¹

Diversification remained an economically unattractive proposition for many growers as it made little economic sense for tobacco growers to abandon a relatively highly profitable crop for alternatives whose profit margins were very low. The gross profit margin for tobacco was relatively higher in comparison with other competing crops such as maize and cotton. A farmer growing one acre of tobacco on comparable acreage expected to get a gross margin of 75.5d as opposed to 11.6 and 17.0 respectively, for maize and tobacco.¹²² This rendered switching from tobacco to cotton and/or maize unattractive. There were other challenges affecting individual growers' capacity and intention to switch to other crops. For instance, diversification was not a feasible proposition on many farms because of farm size, situation, and soils types.¹²³ Limitations could also be because of available arable land as different crops had varying acreage requirements to economically and sustainably produce similar gross margins of profit. For instance, a maize and cotton farmer required 300 and 160 acres under the plough respectively, to obtain the same gross margin of profit as a tobacco grower utilizing only 50 acres of his/her farm.¹²⁴

In addition, maize and cotton required more arable land than tobacco. To produce a 50 acre crop on an economic and continuous basis, a tobacco grower required a farm of 250 acres

¹²⁰ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers.

¹²¹ *Rhodesia Herald*, 24 August 1967.

¹²² NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers.

¹²³ *Ibid.* For instance, most soil types and altitude on tobacco farms were unsuitable for cotton production.

¹²⁴ *Ibid.*

of arable land for rotation and food production purposes. On the other hand, to produce a 160 acre cotton crop which earned the same gross margin as a 50 acre tobacco crop, a farmer required a farm of 600 acres of arable land. For maize the situation is even worse. A 300 acre maize crop whose profit margin was equivalent to a 50 acre tobacco crop required a farm of a minimum of 900 acres of arable land. The magnitude of this hurdle was so severe that out of the 1,733 growers in 1967/8, between half (834) and two-thirds (1,261) were considered to have too small arable potential to remain economic propositions if they were forced out of tobacco.¹²⁵

Other considerations such as transport costs, particularly for those not on the line of rail also contributed in determining whether farmers would adopt diversification or not.

Table 3 below gives an idea of road transport costs in respect of colonial Zimbabwe's main crops to give a sense of appreciation of the economic implications for those not along the line of rail.

Table 3: Comparable Road Motor Services (RMS) Transport Costs

Distance Range	Maize (d)	Cotton (d)	Tobacco (d)
10 miles	16.25/-	7.50/-	4.35/-
25 miles	40.25/-	15.00/-	10.40/-
100 miles	146.75/-	54.60/-	39.56/-

Source: NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers.

The cost of transporting maize as shown above was prohibitive as compared to tobacco. Yet the price of tobacco per lb. far exceeded that of maize and cotton.

The diversification drive was not helped by the inescapable need to alter farming techniques and bring in new enterprises, which was a costly exercise. This happened at two levels: firstly, on the need to venture into new crops; and secondly, on the need for investment into different cultural practices within the tobacco industry to produce leaf suitable for markets other than the Britain. As noted by former RTA President Carol Heurtely, traditionally the 'cream' of the local crop was the British type.¹²⁶ As a result of the British tobacco embargo,

¹²⁵ RUCL, Smith Papers, Memorandum by officials of the Working Party on the 1968/9 Flue-cured Tobacco Crop.

¹²⁶ *Rhodesia Herald*, 24 August 1967.

there was need to switch to types of tobacco suitable for new markets.¹²⁷ The growers found themselves in a dilemma; because of the quota system they had to grow smaller quantities of a more costly variety at a lower selling price. This suppressed profit compromised their viability. Those who could not continue with tobacco had to diversify out of the crop with associated costs such as farm consolidations. This was due to the different arable requirements for tobacco and alternative crops. The colony's agriculture minister reinforced this by noting that substituting other crops for tobacco meant land had to be cultivated, which required investment in different or larger equipment.¹²⁸ It is unsurprising that one of the trends traceable during the immediate post-UDI era was an overall increase in agricultural indebtedness.¹²⁹ See Table 4 below, which portrays the level of indebtedness among farmers between September 1965 and March 1969. Whereas in September 1965, the level of agricultural indebtedness stood at £26 million, by March 1969 it had risen to £38.8 million. This was largely a result of loans granted under both the ADS and the FIF. For instance, by November 1967 about 700 farmers had received about £2.5 million under ADS, and £700,000 under FIF.¹³⁰ However, as much as it is a reflection of diversification expenses, the high credit commitment among farmers in September 1968 can also be explained by the serious drought in 1967/68. The government provided special loans to cushion farmers whose crops were ravaged by drought.

Table 4: Agricultural Industry Indebtedness (£ Million)

Period	Land Bank	Commercial Banks	Agric. Co-ops & other companies	Total
September 1965	8.7	11.4	5.9	26.0
March 1966	12.1	15.1	5.8	33.0
September 1966	10.0	11.8	5.5	27.3
March 1967	13.1	13.6	5.2	31.9
September 1967	10.5	11.9	3.9	26.3
March 1968	13.9	14.3	5.3	33.5
September 1968	13.8	13.0	6.2	33.0
March 1969	16.8	14.9	7.1	38.8

Source: NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers.

¹²⁷ See the *Rhodesia Herald*, 25 October 1967. The anti-tobacco lobby promoted among consumers a nicotine-content consciousness hence the need to switch to the expensive to grow low nicotine leaf.

¹²⁸ *Rhodesia Herald*, 7 July 1967.

¹²⁹ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers, Report of the Working Party, Part 1.

¹³⁰ *Property and Finance*, November 1967.

Diversification faced other challenges. For instance, as the diversification review committee noted, ‘there was not a great deal of knowledge about which alternative crops would grow satisfactorily and in which districts they would grow.’¹³¹ Consequently, many costly mistakes were made. For example, ‘a great many growers embarked on enterprises which they subsequently had to discontinue.’¹³² This was after ploughing monies into such enterprises, prompting *Property and Finance* to report that the forced diversification, encouraged by the government, ‘led to a great deal of floundering and waste of much money.’¹³³ Worse still, there were no ‘new’ crops which offered any great encouragement. For instance, according to Michael Rooney, Undersecretary for the Ministry of Agriculture, and a member of the committee tasked with overseeing diversification, attempts to encourage a switch to groundnuts through providing incentives produced disappointing results.¹³⁴ Though the outlook for soya bean was fairly promising, its prospects were in the long term.¹³⁵ On the other hand, ‘wheat was a high cost winter crop, susceptible to diseases, frost and qualia,’ whilst ‘sorghum and other small grains had a limited market.’¹³⁶ In general, diversification was limited to maize, cotton or cattle for beef production as the scope in alternative crops or livestock was not wide, and was already fully extended in a number of cases, such as potatoes, peaches, viticulture, citrus and pigs.¹³⁷

A clear example of the complications of the government diversification exercise was the case of Mashonaland. Mashonaland tobacco growers who produced cotton as a supplementary or alternative crop in the past season were ‘taking another long, hard look at its economics.’¹³⁸ On some tobacco farms, notably those in the Lomagundi and Salisbury West districts, cotton in sand-veld lands triggered a number of unexpected problems. First was ‘the tendency of young seedlings to develop taproot trouble when two to three inches high’ which ‘caused so much damage to the root system that development of the plant was brought to a standstill.’¹³⁹ Re-plantings did not help the situation as subsequent crops fell victim to the same trouble. The other problem was that due to the good drainage of sandy soils, cotton lands were dry within a few weeks of the ending of the summer rains. The soil, which was severely

¹³¹ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers.

¹³² *Ibid.*

¹³³ *Property and Finance*, April 1971, 25.

¹³⁴ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers.

¹³⁵ *Ibid.*

¹³⁶ *Ibid.*

¹³⁷ *Ibid.*

¹³⁸ *Rhodesia Herald*, 15 May 1969.

¹³⁹ *Ibid.*

compacted by tractors during weekly spraying operations became almost 'concrete hard,' and by the time the crop was harvested in July-August it was difficult to deal with the crop stubble. The exercise to remove the stubble after harvest, which was critical to prevent pests, was costly and time-consuming and had the effect of sharply stepping up production costs while wearing out machinery and implements.¹⁴⁰

However, notwithstanding the teething problems that diversification faced, it made some noticeable achievements. Table 5 provides a list of agricultural pursuits and shows their trends between 1966 and 1968. What is evident from the statistics is that tobacco lost significant acreage and other crops, particularly maize, cattle and cotton, gained significantly. Acreage under maize increased from 106,376 to 126, 644 a rise of over 20,000 acres. The beef herd increased from 187,806 to a whopping 241,548 cattle amounting to an increase of over 53,000 head of cattle. Cotton acreage increased significantly from 13,619 to 35,922.¹⁴¹The same trend is noticeable in sheep, groundnuts, goats and other crops.¹⁴² These developments were bound to create other problems. Contrary to Ken Flower's assertion that sanctions did not worsen 'the material condition of the blacks' but rather improved it, white farmers' diversification into maize, beef and cotton production undercut African peasant producers in the now important internal market.¹⁴³ This must have fueled African discontent which explains their massive support for the liberation struggle in the 1970s.

¹⁴⁰ *Ibid.*

¹⁴¹ NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers, Working Party Report, Part 2.

¹⁴² *Ibid.*

¹⁴³ See Flower, *Serving Secretly*, 76-7.

Table 5: Diversification Trends, 1966/7-1967/8

Crop or Livestock	Acreage or head 1966/67	Acreage or head, 1967/68	Difference
Tobacco	40,352	12,573	-27,779
Maize	106,376	126,644	+20,268
Groundnuts	2,942	11,553	+8,611
Cotton	13,619	35,922	+22,303
Other crops	18,376	36,978	+18,602
Cattle	187,806	241,548	+53,742
Sheep	17,858	31,473	+13,615
Goats	880	1,833	+953
Pigs	2,518	3,111	+593
Poultry	6,620	6,500	-120
Chinchillas	611	962	+351
Horses	17	85	+68

Source: NAZ, (Unprocessed), Acc 3382, Box 72, Rooney Papers, Working Party Report, Part 2.

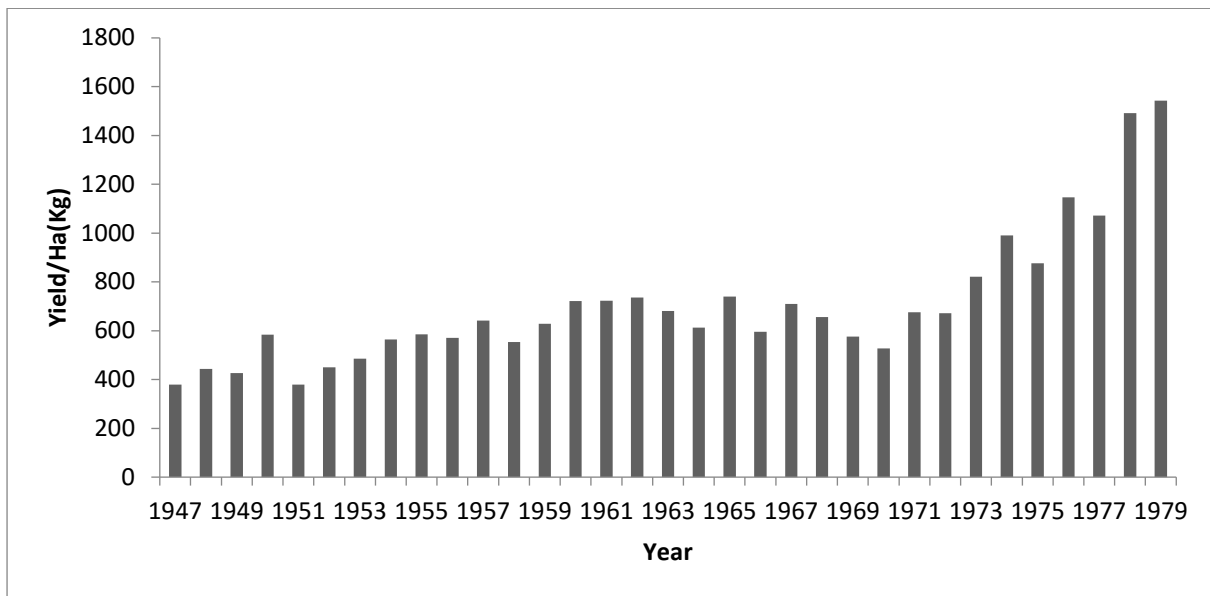
Diversification brought about some positive spin-offs to the tobacco industry. Because of the low prices offered by government to tobacco growers, ‘generally speaking, only the most efficient survived.’¹⁴⁴ Survivors were mostly those who could cut their production costs to suit the low profit margins guaranteed by government. In addition, the government assisted in the screening of the dedicated tobacco men when in 1967-68 it bought out about one-third of the tobacco farmers, leaving ‘the most viable and the most enthusiastic growers.’¹⁴⁵ This solved the long-standing problem of the inefficient tobacco producer, which haunted the industry throughout its history.¹⁴⁶ Fig.5 below shows how yield per hectare steadily increased in the period after UDI, which is an indicator of efficiency in production. The falling yield per acre during the 1967-8 and 1971-2 seasons can be explained by the drought that hit the colony during that season.

¹⁴⁴ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers, Report of the Working Party, Part 2.

¹⁴⁵ Ibid.

¹⁴⁶ Throughout the 1950s and 1960s the RTA was at pains to weed out the inefficient producer.

Fig. 5: Tobacco Yield in Kilogrammes/Hectare, 1947-1979



Source: Compiled by author from TIMB statistics.

According to *World Tobacco*, by 1967, about 900 growers (a quarter of the 1965 number) left the industry, and ‘the rest, under the lash of low guaranteed prices for their leaf, have reached a new peak of efficiency and production economy.’¹⁴⁷ Another positive outcome of this was the cessation of mono-cropping, in itself a lasting benefit to colonial Zimbabwe’s agriculture. This was again another long-standing problem, which became amplified in the immediate post-war era when huge profit margins from the tobacco auction sales saw some growers abandoning other less remunerative crops. Faced with food shortages, the government made several calls for the abandonment of tobacco mono-cropping, albeit with little success. The sanctions condition meant that mono-cropping became less attractive and unsustainable.

The success discussed above, however, had some unintended consequences in respect of the commodity into which diversification occurred. The greater the success achieved by farmers forced out of tobacco in diversifying into other products, the more aggravated were the pricing and marketing problems in the new crops.¹⁴⁸ For instance, increase in maize production led to fall in price. *Property and Finance* warned about the likelihood of overproduction in maize and other crops and the associated problem of subsidies.¹⁴⁹ On the other hand, the cattle industry endured inflationary prices as new entrants bought livestock leading ‘to an artificial

¹⁴⁷ *World Tobacco*, Editor’s Note, No. 17, December 1967.

¹⁴⁸ NAZ (Unprocessed), Acc 3382, Box 72, Rooney Papers, Report of the Working Party, Part 2.

¹⁴⁹ *Property and Finance*, November 1967.

rise in beef production costs.’¹⁵⁰ Moreover, as ‘Mrs. J. Farmer’ of Trelawney noted in a letter to the editor, diversification crops absorbed less workers and did not yield the money to pay them.¹⁵¹ On the other hand, ‘expenditure on the provision of additional capacity led to a deficit of some £0.5 million on the cotton account.’¹⁵² On a socio-political note, sanctions and the accompanying problems of production control and diversification reconfigured relations between the tobacco industry and such stakeholders as the state, commerce and industry. The ensuing section tackles these and related issues.

Muzzled or Toothless Barking Dogs? Tobacco Growers-State Relations under Sanctions

The re-organisation of the tobacco industry following the imposition of sanctions redefined relations between the industry, the state and the market as well other economic interest groups. The state had to strike a delicate balance between the need to keep farmers on the land, and to cater for other sectors of the economy, all against depleting financial resources. Among scholars who have closely focused on the emerging new relational dynamics is the political scientist David Rowe with his theory of state manipulation of the market for political control. Though illuminating, Rowe’s thesis of manipulation of the market and political capture does not fully explain the complex relations between the Smith regime and the tobacco industry since 1966. Neither can Information, Immigration and Tourism minister, J. H. Howman’s claim of a ‘homo-Rhodesiaensis,’ ‘a people of undivided loyalty, stout heart and great courage – united in their pugnacious determination to see the battle through,’ be sustained in view of developments during this period.¹⁵³ This section questions the significance of racial solidarity as a defining consideration in shaping intra-white community relations on one hand, and illuminates intricacies, pressures and influences that bore on the state in its relations with the tobacco industry, on the other.

In a chapter titled, ‘Muzzled dogs don’t bark,’ Rowe emphasizes deliberate political design by the Smith regime in explaining the re-organisation of colonial Zimbabwe’s tobacco industry after 1965. Characterising the industry or tobacco growers as ‘muzzled dogs’ was probably an overstatement. It does not adequately capture state-grower relations during this period. Rowe relies on press reports to come up with his conclusion, but a closer reading of the same sources indicates that instead of being muzzled, growers’ protests against government

¹⁵⁰ *Property and Finance*, November 1967.

¹⁵¹ *Rhodesia Herald*, 21 March 1968.

¹⁵² *Ibid.*

¹⁵³ NASA, DEPT LTD, File R2823, Speech by Minister of Information, Immigration and Tourism, The Hon. J. H. Howman, to the Rotary Club of Salisbury on Thursday, January 6, 1966.

were very loud and clear. Perhaps Rowe arrived at such a conclusion because he did not consult alternative sources such as parliamentary debates and cabinet memoranda, which not only confirm that growers were vociferous in the pursuit of their interests, but also managed to change government policy on tobacco price structure. While the growers might have lost their ‘teeth’, they ‘barked’ loudly and viciously whenever their interests were at stake. Admittedly, unlike in 1949, when they could force government to abandon its tax policy, during UDI, the growers’ ‘teeth’ were blunted by the diminution of their financial muscles through narrow profit margins due to sanctions. As *Property and Finance* opined:

no longer can [tobacco growers] represent the financial and organized heart of Right-Wing feeling in the country and of the Rhodesian Front (as they certainly did six years ago); no longer are they in a position to pose any real threat to the new trends within the Party or outside it. To a large extent, they are politically expendable, and they feel that they are being treated as such.¹⁵⁴

However, this over-dramatisation of the tobacco growers’ declining political and economic power masks the extent of influence that they still wielded within the corridors of power.

The Smith regime’s relationship with the country’s tobacco industry was a function of a number of factors. Two of the most prominent factors were economic and strategic considerations. Apart from the political embarrassment of conceding defeat in tobacco’s war against sanctions, economically, other costs would arise as result of abandoning the industry. For instance, the government would require funds for producer price support in other crops, compensation for losses, expanded credit and financial assistance, restructuring costs. It would also require increased capital imports for diversified production, for example, cotton gins, transport and storage facilities as well as costly attempts at unfamiliar production with inadequate experience.¹⁵⁵ An appreciation of how the dynamic power relations between the government and tobacco growers is not possible without understanding what the industry meant to the colony.

Being a labour-intensive industry, tobacco employed a large number of Africans and whites whose stay in the colony was much a political as it was an economic necessity. Table 6 below shows personnel directly involved in tobacco production as reflected in a cabinet memorandum by the Minister of Agriculture. He disclosed that between 1965/6 and 1966/7 ‘more than 400 Europeans and about 20,000 Africans (mainly labourers and a few growers of Turkish and Burley tobaccos, which fall outside the scope of this study) left the tobacco

¹⁵⁴ *Property and Finance*, November 1969, 7.

¹⁵⁵ RUCL, Smith Papers, Memorandum by officials of the Working Party on the 1968/9 Flue-cured Tobacco Crop.

industry.¹⁵⁶ Any further reduction in the annual target crop would push more out of production with dire economic consequences. On another note, reduction in production would cause ripple effects in downstream industries, which also employed a significant number of people and had invested heavily in the colony.

Table 6: Personnel directly involved in Flue-cured Tobacco Production in 1968

Category	Europeans	Africans
Individual growers (owners)	1,827	Nil
Lessees	398	Nil
Managers/Assistants/Learners	1,090	Nil
Labour (African males)	-	103,811

Source: RUCL, Smith Papers, Minister of Agriculture Memorandum, Tobacco Crop: 1967-1968.

Tables 7 and 8 below depict the number of employees and the amount of money invested into the industry by the three Auction floors and Packing houses operating in colonial Zimbabwe during this period.

¹⁵⁶ Ibid., Memorandum by the Minister of Agriculture Tobacco Crop: 1967-1968.

Table 7: Auction Floors: Number of Employees and Value of Investment as at 1968

Firm	Peak African Employees	Peak European Employees	Permanent African Employees	Permanent European Employees	Total Value of investments (£)
Tobacco Auctions	300	52	60	52	483,000
Tobacco Sales	291	57	-	57	338,543
Tobacco Producers Floor	165	81	20	38	303,470
Total for all Auction Floors	756	190	80	147	1,125,013

Source: RUCL, Smith Papers, Memorandum by the Minister of Agriculture, Tobacco Crop: 1967-1968.

Table 8: Packing Houses: Number of Employees and Value of Investment as at 1968

Firm	Peak African Employees	Peak European Employees	Permanent African Employees	Permanent European Employees	Total Value of Investments (£)
Associated Tobacco Warehouse	357	14	42	14	82,000
Export Leaf Co.	407	48	44	47	561,500
Gallaher's Imperial Tobacco	416	39	82	36	760,000
Mashonaland Tobacco	609	97	270	91	1,426,000
Rhodesian Leaf Tobacco Packers	445	37	145	37	276,500
Tobacco Export Corporation	326	21	22	19	214,650
TOTAL	4,950	384	1,135	378	4,801,650

Source: RUCL, Smith Papers, Minister of Agriculture Memorandum, Tobacco Crop: 1967-1968

Apart from the economic considerations, security and strategic concerns also influenced the attitude of government towards the tobacco industry. Contributing to debate on an amendment to the Agricultural Assistance Act meant to expand the operation of the Act to cover tobacco growers' sanctions induced losses, Arthur Leonard Lazzel, a Member of Parliament (MP), made this point very clear. He noted that in addition to fighting an economic war, farmers had an additional fight which they were waging, explaining that the basis of that fight was their occupancy of their farms.¹⁵⁷ Farms in north Mashonaland acted as a buffer against incursions

¹⁵⁷ Ibid., Memorandum by the Minister of Agriculture Tobacco Crop: 1967-1968.

into the interior by African liberation fighters. By serving in the Police Reserve, farmers constituted an essential part of the colony's defence.¹⁵⁸ Contributing to a motion on the importance of the agricultural industry, MP Rodney Simmonds expressed similar sentiments. He said:

we are not only fighting an economic war, we are fighting a physical war, and agriculture, through its farmers and employees, is indeed on the land permanently in our frontier areas, and thus providing the ground coverage which is so essential for military intelligence purposes. If it were not for their presence and the exemplary service many of them give in our para-military reserves and in our military forces, I believe that many of these terrorists' intrusions would not be found until the terrorists reached cities.¹⁵⁹

Even the then agriculture minister, David Smith, concurred and described tobacco growers as the colony's 'first line of defence,' which made them 'indispensable.'¹⁶⁰ While economic logic as propounded on several occasions by the Treasury questioned the wisdom of maintaining an industry that was a drain on the exchequer, strategic considerations were compelling reasons for keeping it viable.

Given the economic and strategic security considerations highlighted above, and contrary to the view that tobacco policy was designed for political manipulation, government commissioned a technocratic Working Party (WP) through the Agriculture Minister. Chaired by R. A. Griffith, secretary for agriculture, the WP was to consider and recommend the colony's tobacco production and marketing future policy. The WP included within its ranks, the deputy chair, C. D. Cox, undersecretary for Treasury, P. Lamport-Stokes and his assistant C. A. Hunter. M. G. B. Rooney was its secretary. The WP consulted widely in executing its mandate. The following groups and individuals submitted written and oral evidence: the Burley Tobacco Association; RNFU; RTA; Tobacco Corporation; TEPCOR; Tobacco Floors Association; TTA; TMB General Manager; TRB Director; Ministries of Defence and Law and Order; and the British South Africa Police Special Branch. In its deliberations, the WP was guided by the following: that prior to UDI tobacco was the colony's major industry, earning a third of the country's foreign exchange. In 1965 unmanufactured tobacco accounted for £46,968,149 out of a total of £149,249,026 earned by domestic exports. As an industry, tobacco employed some 5,250 Europeans, 124,150 Africans in the field, and 933 Europeans and 6,917 Africans in packing, manufacture, auction floors, and so on.¹⁶¹

¹⁵⁸ Ibid.

¹⁵⁹ Rhodesia, *Debates of the Legislative Assembly, Motion on the Agricultural Industry*, November 1972.

¹⁶⁰ *Rhodesia Herald*, 27 September 1972.

¹⁶¹ NAZ (Unprocessed), Rooney Papers, Report of the Working Party, Part 1.

The WP made some key findings that guided government policy on the tobacco industry. One of its findings was that there was no other product in the internal agricultural economy of colonial Zimbabwe which could effectively replace tobacco. Even under sanctions, the WP observed, tobacco was still a major foreign exchange earner; a large employer of labour; and had a strategic significance through land occupation, especially in the northern areas and had significant influences on commerce and industry generally. Based on these findings, the WP concluded that it was in the national interest to ‘continue to support the industry for at least another three years.’¹⁶² Whilst by assuming control over production and marketing, government increased its hold over the tobacco industry, the magnitude of its power was tempered by technocratic recommendations, fundamental existential considerations and contestations by growers. In view of this, to suggest that tobacco growers were at the mercy of the government which manipulated their market in a way that reduced them to victims, is to overstate the extent of government power over the tobacco growing industry. Likewise, overemphasis on white unity glosses over differences that sharpened because of sanctions, and the resultant government efforts to mitigate them. State intervention for or against the tobacco industry triggered multiple layers of contestations among various interest groups. The schisms manifested themselves in cabinet debates and in parliament, among other fora.

The clearest case that growers were neither muzzled nor toothless bulldogs in their relations with the state was their response to government’s producer price of 22d./lb. for the 1968 crop. For instance, *The Star* of 26 March 1968 reported that the Smith regime was ‘in serious trouble with the farmers of Rhodesia, the men who were the backbone of the Rhodesian Front when it came to power.’¹⁶³ Tobacco growers, the report continued, ‘held stormy meetings to protest against the price offered for their next crop.’¹⁶⁴ RTA district meeting resolutions confirmed the palpable anger within the tobacco growing community which they vented on the government as they vehemently rejected the price offered. One district even suggested that growers drive their tractors into Salisbury in protest.¹⁶⁵ Describing government’s offer as ‘unrealistic’, Sinoia district urged the RTA to refuse to accept the offer on the grounds that government had ignored their advice. They challenged the regime to come out in the open about the future of the tobacco industry.¹⁶⁶ During a well-attended meeting of Mrewa/Mtoko

¹⁶² *Ibid.*, Part 2.

¹⁶³ *The Star*, 26 March 1968.

¹⁶⁴ *Ibid.*

¹⁶⁵ *Rhodesia Herald*, 28 March 1968.

¹⁶⁶ RUCL, (unprocessed), Smith Papers, RTA District 1, Sinoia, Resolutions on the subject of 1968/69 Grade Prices.

district, a similar resolution was reached on the basis that a price of 22d./lb. represented a return to the grower which was less than his cost of production.¹⁶⁷ Marandellas district was more elaborate:

Government is aware that the Tobacco Industry has already borne the brunt of sanctions and now it is expected to carry a further burden which will prove impossible. At 22d per lb. the average tobacco grower will suffer a loss which will inevitably lead to serious unemployment, jeopardize internal security, and will have widespread repercussions on commerce and industry. The price of 22d per lb. in itself reveals no confidence in government's own policy towards the entire Tobacco industry, and shows a blatant disregard of the financial position in the Tobacco Industry.¹⁶⁸

The emphasis was on how the demise of the tobacco industry would have ripple effects in such important aspects as internal security, commerce and industry. A more assertive Norton/Salisbury South district deplored the fact that the RTA Council was not consulted fully on the cost of production under the prevailing cultural practices necessitated by the shift from the British market type tobacco to other markets.¹⁶⁹ On that basis, the meeting demanded 'that the Government reopen negotiations with the RTA in order to arrive at a true and realistic figure.'¹⁷⁰ The most vicious attack came from the Umvukwes Farmers and Tobacco Growers' Association Chairman, Major P. J. M. Rous who reminded the deputy minister of agriculture, Lance Smith, that:

it was this present government that got Rhodesia into the mess that we are in, and it is this government that must get us out of it or resign, even though that would mean that several people would have to lose quite lucrative positions.¹⁷¹

Armed with resolutions from its various districts, the RTA wrote to the minister of agriculture. Dated 21 March 1968, the letter summarised the tobacco industry's concerns and demands as follows: the figure of 22d per lb. was imposed without any prior negotiation with the RTA as such Council did not know on what basis and from what information Government made its decision. In view of the 'irresponsible' figure of 22d it was felt that the minister and his cabinet colleagues were wrongly advised. Council felt that its case for 26d per lb was not adequately represented and it wondered if Government wanted to write-off the tobacco industry. The tone of the letter indicated an association that that was unrelenting in pursuit of its interests. The

¹⁶⁷ Ibid., RTA District 22, Mrewa-Mtoko.

¹⁶⁸ Ibid., RTA District 13, Marandellas.

¹⁶⁹ Ibid., RTA District 116, Norton-Salisbury South.

¹⁷⁰ Ibid., Resolutions on the subject of 1968/69 Grade Prices. At this moment, the RTA still had access to the highest levels of Government. The RTA President sent the sample resolutions, together with a covering letter, directly to the Prime Minister who caused their circulation to a restricted section of cabinet ministers for perusal and future discussion.

¹⁷¹ *Rhodesia Herald*, 5 April 1968.

letter was copied to the Prime Minister with a request to have the price negotiations reopened in Cabinet. Under force of their representations, the government capitulated and Cabinet reopened the debate.

In a Cabinet memorandum circulated to fellow ministers for the re-opened debate on tobacco prices, Rudland was forced to argue vigorously in support of the growers. He wrote:

I must stress that there is a considerable discontent and criticism in the tobacco industry, especially the growing sector, that it is carrying an undue part, if not the brunt, of the effect of sanctions. Sanctions were imposed because of a national action. It is argued that the burden must also be borne by the whole nation-not a part of it. The logic and the facts of this cannot be disputed. The tobacco industry has been halved-in production, in numbers, in earnings. Profits have virtually disappeared. No other industry had to endure anything approaching this. my recommendation is that government should support a crop of 132m lb. at 26d./lb.¹⁷²

What is clear from the above is that the RTA had managed to prevail over the agriculture minister and win him to their side. But, this did not go down well with his fellow cabinet colleagues especially finance minister, John Wrathall, who complained that government was being forced to accede to grower demands without properly considering the likely consequences of such an approach. He lamented that Cabinet was simply agreeing to what farmers wanted, ‘forgetting the overriding facts of the situation and the need to shape the future of the agricultural industry in the interests of the national economy.’¹⁷³ He also accused his fellow Cabinet colleagues of forgetting that it was the function of government to govern, and not to capitulate to sectorial interests.¹⁷⁴ He reiterated that by offering a 132 million lb. crop to be bought at 22d/lb., he had done his best and could not agree to anything beyond this figure. Yet despite the strong protestations by the Treasury, Cabinet succumbed to growers’ demands. The producer price was raised from 22d./lb. to 25d./lb. To suggest that growers who pressurised government to re-open closed Cabinet negotiations on producer price, and when re-opened prevailed against the wishes of the Treasury, were muzzled dogs which could not bark is not an entirely accurate characterisation of the situation.

The noise by growers did not end with the above victory. Even the 25d./lb. reluctantly offered by government was not accepted in some quarters. During a ‘lively’ meeting with the agriculture minister, Karoi and Tengwe growers dismissed the new tobacco prices at an average

¹⁷² RUCL, Smith Papers, Memorandum by the Minister of Agriculture on the re-opened cabinet debate on Grade Prices, April 1968.

¹⁷³ Ibid., Memorandum by the Minister of Finance in response to the Memorandum by the Minister of Agriculture, April 1968.

¹⁷⁴ Ibid.

of 25d. per lb. as ‘ludicrous’ and ‘sub-economic.’¹⁷⁵ They passed a resolution that the government’s policy on agriculture should be given a vote of no confidence unless a guaranteed price of 28d. per lb. was obtained. The agitation among growers was so palpable that the *Rhodesia Herald* reported shouts of ‘Something must be done!’ with one Tengwe farmer shouting, ‘Get us the keys of the armory!’ Another one dismissed the minister’s so-called ‘shot in the arm’ as ‘a shot in the back.’¹⁷⁶ They also directed their anger at the local MP, Lance Smith, whom they accused of failing to adequately represent his constituency. Dave Lazell, Chairman of Karoi Farmers Association told the meeting:

We are not here to try and vote out the government. It’s just that we feel our elected representative to Parliament (Lance Smith) is no earthly good. There is much anti-government sentiment here, which, had we an efficient vehicle to get our views across and the answers back, just would not exist. But from the grassroots we all want our representation improved.¹⁷⁷

Ray Hill further extended attacks on the local MP by saying that the MP ‘had been given a responsible job as Minister of Internal Affairs’ yet ‘he was incapable of running his own district’.¹⁷⁸ The meeting resolved not to accept the sub-economic price of 25d. per lb. for a 132m lb. target crop.¹⁷⁹ Instead, they demanded that the RTA, having ascertained the feelings of the country’s growers, reopen negotiations for a minimum price of 28d. per lb.¹⁸⁰ And if that price was not obtained, a vote of no confidence in the government should be passed, threatened the growers. The Virginia-Macheke Tobacco Growers Association unanimously supported the resolutions by the Karoi and Tengwe Farmers adding that 25d per lb. was not only ‘unrealistic’ and ‘sub-economic’, but also ‘absurd.’¹⁸¹

Motions at the RTA congress held in December 1969 are revealing. ‘Such motions’, the *Rhodesia Herald* reported:

are symptomatic of a mood of explosive anger, if not desperation, among men who, having borne the brunt of sanctions cheerfully in response to political appeals to patriotism, now believe firmly that they have received less than justice from politicians.¹⁸²

For instance, Centenary, Mount Darwin, Bromley and East Salisbury delegates moved a motion expressing ‘complete loss of confidence in the government’s handling of the problems relating

¹⁷⁵ *Rhodesia Herald*, 26 April 1969.

¹⁷⁶ *Ibid.*

¹⁷⁷ *Ibid.*

¹⁷⁸ *Ibid.*

¹⁷⁹ *Ibid.*

¹⁸⁰ *Ibid.*

¹⁸¹ *Ibid.*, 30 April 1969.

¹⁸² *Ibid.*

to the tobacco industry.’¹⁸³ The motion drew particular attention to government’s attitude towards the absence of profitability of tobacco farming which was ruining the growers individually, and which was ‘causing a security problem due to abandoned farms.’¹⁸⁴ It is important to note that they always made reference to their role in national security each time they raised complaints. That was one of their major bargaining tools.

Using its economic and national security leverage, the tobacco growing industry successfully lobbied government for the amendment of the Agricultural Assistance Act to expand its scope to encompass sanctions-induced problems. In its original state, the Act limited assistance to those farmers whose plight was caused by climatic conditions or the incidence of diseases and pests.¹⁸⁵ That restricted provision of assistance to farmers who had their tobacco quotas severely reduced.¹⁸⁶ Or some young farmers who made arrangements to purchase developed farms just prior to the introduction of tobacco production controls. They had committed themselves in some instances to heavy capital repayment but which were nevertheless related to the then prevailing returns for tobacco and so were fully justified. The subsequent introduction of tobacco crop control, coupled with lower prices, severely curtailed their ability to repay their capital commitments. It was essential, they argued, to keep these farmers and others in a similar position, on the land and to help them finance diversification until controls were removed or until they otherwise attained a general productive position so as to be able to meet their annual commitments.

Whilst tobacco growers were successful in lobbying the government to bring the Agricultural Assistance Amendment Bill to parliament, they still had to contend with other economic interest groups. In a show of widening fissures within the white community, in his contribution during debate on the Bill, MP Patrick Palmer-Owen bemoaned the preferential treatment given to farmers at the expense of other economic interest groups, particularly commerce and industry. In his view, the amendment sought was so wide that it was open to abuse to subsidise inefficient farmers.¹⁸⁷ According to him, with the proposed amendment any farmer could get assistance as ‘the only qualification needed to get assistance under this Act [was] to be a farmer.’¹⁸⁸ He added that there was no room in the country for subsidies, complaining that farmers got fuel, fertiliser subsidies, water/irrigation assistance, tobacco

¹⁸³ *Ibid.*, 28 November 1969.

¹⁸⁴ *Ibid.*

¹⁸⁵ Rhodesia, *Debates of the Legislative Assembly*, Vol. 60, 28 July-1 September 1967, col. 567-71.

¹⁸⁶ *Ibid.*

¹⁸⁷ *Ibid.*

¹⁸⁸ *Ibid.*

quota purchases, diversification subsidy, fencing rebates, and tax concessions on dam construction.¹⁸⁹ Unlike farmers, commerce was not getting such subsidies. Palmer-Owen called upon farmers to take their farming as businesses and be subjected to ‘the same dictates in the business world as commerce and industry [was].’¹⁹⁰ For Palmer-Owen, farmers’ circumstances were not peculiar. The same argument used to seek support for them applied to commerce and industry. For instance, he explained, wholesalers could demand assistance from government on the basis that because of government action they could not import goods from overseas thereby throwing them out of business. The motor trade could also say the same as the closure of the motor assembly plant was because of government action (UDI). Similarly, employees who lost jobs at the closure of the motor assembly had bonds to pay, in themselves capital commitments like the farmer’s.¹⁹¹

Other MPs also raised a number of questions pertaining to the new amendment. For instance, MP Theo Elison queried what would happen to a good tobacco farmer who refused to grow any other crop, but later found himself in financial difficulties. Although he could be an efficient farmer, he refused to grow wheat, soya beans or cotton and persisted with tobacco, which threw him in financial difficulties.¹⁹² They asked whether such a farmer could justifiably be subsidised with taxpayers’ money. It was considered unfair to support a farmer who continued to grow tobacco, the next season after refusing to diversify, and found himself in financial problems. The criticism was partly ideological. Commenting on the proposed amendment, Elison said, ‘I trust [the minister] will soon see his way clear to stop travelling on the road to socialism and come down to reasonable, capitalistic, economic solutions to our problems.’¹⁹³ In a typical commerce versus agriculture duel, another MP, Robin James, argued that preferential assistance to agriculture could only be given ‘on the basis of the exceptional hazards which occur in farming, such as pests and droughts’, and should not be given over normal business hazards which other sections of the community had to endure.¹⁹⁴ James argued that old farmers should be allowed to go bust, insolvent and their properties bought by Government to put young settlers with the assistance being advocated through this Bill being channelled to the young farmers.¹⁹⁵

¹⁸⁹ *Ibid.*

¹⁹⁰ *Ibid.*

¹⁹¹ *Ibid.*

¹⁹² *Ibid.*

¹⁹³ *Ibid.*

¹⁹⁴ *Ibid.*, col. 595-601.

¹⁹⁵ *Ibid.*

Under attack from commercial and industrial interests, the agricultural/tobacco lobby was quite visible and vocal in parliament, arguing its case with much vigour and determination. In defence of the amendment, a member of the lobby, MP Arthur Leonard Lazzel emphasized that the:

Bill is primarily aimed to help tobacco farmers mainly to stay in business, not to make greater profits. They are not given this money, they are lent it. The main result will be that tobacco farmers, who have either had to go out of tobacco farming and diversify with the expectations of very much lower profit, or those who elected to stay in the industry with already a very much lower quantity of tobacco which they are allowed to grow and who are in need of assistance will be able to receive it under this Bill.¹⁹⁶

Responding to parallels drawn with commerce, Lazzel argued that there were no empty houses in Salisbury, yet in the farms there was a real danger of empty farmhouses. He spoke of farmers as waging ‘a magnificent but rather unrewarding struggle in the interest of Rhodesia.’¹⁹⁷ For instance, despite the foregoing, William Joseph Cary, another legislator, bemoaned how commerce was ‘more determined than ever, like Shylock, to get their pound of flesh in their relations with agriculture.’¹⁹⁸ Underlining commerce’s ruthlessness, he likened its relationship with agriculture to a beehive where:

the farmers and the miners are the working bees and commerce are in the category of drones: they are able to live on the nectar provided and worked by the rank and file in the hive which are the worker bees.¹⁹⁹

After intense debate, the tobacco lobby prevailed. The Agricultural Assistance Amendment Bill was passed by the Legislative Assembly. It had the effect of widening the criteria used to select beneficiaries of assistance loans by the temporary suspension of the climatic and pestiferous restrictions. In terms of the amended Act, the Agricultural Assistance Board, a creature of the Act was empowered to assist distressed farmers worthy of assistance, irrespective of the cause of their financial embarrassment.

Outside cabinet and parliament, the voice of tobacco farmers also continued to be heard without fear. For instance, during a meeting of the Ayrshire Farmers’ Association, one grower, Henry Keen, publicly complained that tobacco growers had become ‘unwanted babies in an adult economic world’ with government accused of abdicating its duty to assist them.²⁰⁰ Instead of mourning helplessly, Keen was outspokenly bullish. In a speech carried by the widely

¹⁹⁶ *Ibid.*, col. 582-87.

¹⁹⁷ *Ibid.*

¹⁹⁸ *Ibid.*, col. 589-95.

¹⁹⁹ *Ibid.*

²⁰⁰ *Rhodesia Herald*, 12 April 1969.

circulating *Rhodesia Herald*, he declared that growers were tied to their farms so they must fight for a living there, adding, 'If it is the Government we must fight for that living, we would be sorry but we would do it.'²⁰¹ True to his words, during the period under review, the relationship between the state, the tobacco industry, and other economic interest groups was as dynamic as it was conflictual.

From the foregoing, it is apparent that the imposition of sanctions on colonial Zimbabwe brought about new power relations among the various stakeholders in the tobacco industry and beyond. It is equally true that the new relations placed tobacco growers in a disadvantaged position in its interaction with government, the market and other stakeholders. Unlike in the period before UDI when tobacco growers' financial muscles were strong, in the post-UDI era this was eroded by sanctions. However, notwithstanding all this, it still will be wrong to suggest that the growers had become 'muzzled dogs' that could not bark. As demonstrated, the growers were never completely silenced by the government. Neither were their voices drowned by other economic interest groups. It is incorrect to assume that because they did not win all their demands, it followed that they were captured, politically manipulated and muzzled. Instead, the relationship between tobacco growers, the state, and other economic interest groups was a result of a delicate balancing of divergent interests taking into consideration the objective realities of the sanctions dispensation.

Conclusion

This chapter opened by tracing the international, regional and local climate which gave birth to white extremism, leading to the formation of the RF in 1962, followed by UDI three years later. UDI and the subsequent sanctions revolutionised relations between tobacco growers and the market on one hand, growers, the state and other economic interest groups on the other. The chapter's first section traced the changing ideological outlook of the white community in general, and tobacco growers in particular, which provided the context within which the tobacco industry and the state interacted. Faced with the 'two devils' of UDI, which meant sanctions, and majority rule, which threatened white privileges in accessing and owning prime land, tobacco growers chose to sacrifice their market by choosing the former. With UDI and sanctions came changes in the manner in which the industry was structured and how it interacted with the market. From an industry built on the basis of open and unfettered auction sales traceable to 1936, sanctions saw the relationship between growers and the market

²⁰¹ *Ibid.*

mediated by the state through the Tobacco Corporation. The suspension of open auction sales, production control through the quota system, and the urgent need for diversification brought about a new set of relations, which the chapter brought to the fore. While the new marketing arrangement heavily eroded growers' bargaining power by giving the initiative to the state through the Tobacco Corporation, they still organized within the RTA to pursue their interests. Outside the RTA, growers' interests were also ventilated in cabinet as well as in parliament.

The chapter ends in 1972. Two major events occurred towards the end of 1972 and during the beginning of 1973, which influenced the decision to end the chapter in 1972. The attack on Altena farm in December 1972 by African liberation fighters heralded a new and concerted approach by nationalists in their war to dismantle the Smith regime. The escalation of the war brought about new pressures on tobacco growers in outlying areas, and its impact will be explored in the next chapter. On the other hand, starting in 1973, government reintroduced open auction sales since UDI. It is this trajectory of an intensified African war of liberation on one hand, and the re-opening of the free auction sales system, that forms the crux of the discussion in the next chapters.

CHAPTER FOUR

GLOBAL RECESSION, SANCTIONS, WAR, AND THE RHODESIAN TOBACCO INDUSTRY'S SURVIVAL BATTLES, 1973-1979.

Introduction

As discussed in Chapter Four, the period 1966 to 1972 was one of immense hurdles for Rhodesia's tobacco industry. Central to this was how to reconfigure the industry in line with the UDI-triggered sanctions dispensation, worsened by natural disasters such as droughts. The year 1972 ended with an added challenge: the escalating war of liberation. The December 22 attack on a Centenary tobacco farm, Altena, by liberation war fighters marked the intensification of African anti-colonial struggles, which further escalated with Mozambique's attainment of independence in 1975. In the words of RTA President, Vec Hurley, by 1975 colonial Zimbabwe was 'under the shadow of terrorism.'¹ This was taking place against the backdrop of an oil shock-inspired global economic recession whose ramifications on the sanctioned, and therefore economically vulnerable, colony were predictable. Colonial Zimbabwe's battle for survival in the circumstances was multipronged. It was waged in the physical realm of an escalating war of liberation and the economic and demographical domains of sanctions and the war of numbers, respectively.

In all these spaces the tobacco industry occupied a central position. For instance, by continuing to occupy land in the north-eastern border areas, tobacco growers' acted as a buffer against 'terrorist' incursions. On the other hand, the industry's economic viability had a double-effect on the 'war of numbers': on the one hand it ensured maintenance of the existing white population in the colony, whilst resonating with government's immigration policy of attracting more, on the other. This was pertinent in mitigating the 'ruling ethnic caste's' demographic fragility discussed by Josiah Brownell.² In the opinion of the Smith regime a viable tobacco industry was thought to be one of the ways through which the Smith regime could guarantee white settler interest in the colony. On the economic war front, even under sanctions, tobacco remained a key foreign exchange earner for the colony. Its significance at a time when sanctions and global recession-induced foreign currency shortages were biting cannot be overemphasized.

It is against this background that this chapter seeks to illuminate the crystallisation of relations between the state, the tobacco industry, global markets and the nationalist movements,

¹ The phrase was used by RTA President. See *Rhodesia Herald*, 27 June 1974.

² See Josiah Brownell, *The Collapse of Rhodesia: Population Demographics and the Politics of Race* (London: I. B. Taurus & Co. Ltd, 2011), 2.

in the twilight of white rule. By situating the tobacco industry at the centre of the physical, demographical and economic war facing the regime in its last years, the chapter raises some important questions. For instance, it sheds light, not only on how the industry navigated its way against these odds, but also, on shifts in white farmers' socio-political and economic outlook during this period. This triggers questions about how economic considerations transformed both the politics of the industry and of the colony. By focusing on the war and its impact on the industry the chapter puts the strategies adopted by tobacco growers in negotiating socio-economic and political survival in the face of the inevitability of majority rule under the spotlight. Understanding how both the war and economic considerations shaped the dynamic political outlook of the industry's players is important in appreciating fissures in the white community, pitting economic interest groups against political elites.

The chapter covers the period 1973-79 and is divided into four sections. Given the susceptibility of colonial Zimbabwe's tobacco industry to market fluctuations in the global tobacco trade, the first section provides the global marketing context under which the colony's tobacco industry operated. With a huge portion of the tobacco crop being for export, it followed that the industry's viability was heavily influenced by developments in the global tobacco markets. The second section then sketches local production and marketing dynamics within the industry as circumscribed by the global context. The third section focuses on the war, illuminating its impact on the local tobacco industry, particularly in the area of production. This connects with the final section which examines the relationship between the war and the changing political outlook of the industry players in the late 1970s.

The Global Context

Generally, the early 1970s marked a turning point in global commodity markets. The early part of the decade was marked by two events with long-lasting effects on the world economy, including agricultural production and trade. The first was the decision by the USA government to suspend the fixed-gold convertibility of the US dollar in August 1971, which meant a devaluation of the US dollar *vis-à-vis* other internationally traded currencies. This is what has, in some quarters, been referred to as the 'Nixon shocks' in reference to the USA President, Richard Nixon, who introduced the policy.³ For developing countries like colonial Zimbabwe, the currency realignments had major negative repercussions because of the vulnerability of their economies to international price fluctuations. The second event, which caused worldwide

³ <http://www.fao.org/docrep/x4400e/x4400e09.htm>, accessed 16 August 2018.

panic, was the sharp rise in the price of crude petroleum, decided in 1973 by the Organization of the Petroleum Exporting Countries (OPEC) in response to the devaluation of the US dollar (since petroleum prices were based on the dollar).⁴

For agriculture, the ‘Nixon shock’ implied a sudden increase in the cost of petroleum-based inputs such as fertilizers and pesticides as well as fuel and power, which were of crucial importance for irrigation and agricultural transport, marketing and processing. Fertilizer prices tripled and even quadrupled in the course of one year. Consequently, in 1974, the world consumption of fertilizer dropped by nearly 4 million tonnes, resulting in an estimated shortfall of one million tonnes of plant nutrients in relation to projected demand.⁵ The UN, at its Sixth Special Session (9 April to 2 May 1974) identified 42 developing countries as being most seriously affected (MSA) by the sharp rise in the prices of essential imports (food, petroleum, fertilizers). It established a Special Fund to assist these countries in mitigating their economic hardships. FAO established the International Fertilizer Supply Scheme, which provided 73 000 tonnes of fertilizers to MSA countries in the 1974/75 crop year.⁶ However, because she was under UN mandatory sanctions, colonial Zimbabwe was precluded from accessing this assistance.

With respect to tobacco, the 1970s brought mixed fortunes in the global markets. While the *World Tobacco* magazine described 1971 as a year of a ‘stable tobacco market,’ barely a year later, the situation had changed.⁷ An over-supply situation became an over-demand situation, transforming the market from a buyers’ to a sellers’.⁸ According to George Karandjoulis, an executive of Philip Morris Europe:

During the period from 1972 and up to the beginning of 1975, [the global tobacco industry] faced for the first time in [its] history ... a new situation – the so called tobacco shortage.⁹

This was partly because of the growing popularity of flue-cured tobacco, which was coincidentally colonial Zimbabwe’s dominant variety. Global demand moved away from traditional ‘dark’ to ‘light’ tobaccos as a consequence of increasing preference for the American-type blend cigarettes in which flue-cured tobacco was a major ingredient. Added to this, relatively short crops in several producing countries, including the USA, reduced supplies

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ *World Tobacco*, 1976, 32.

⁸ *The Rhodesian Financial Gazette*, 27 April 1973.

⁹ *World Tobacco*, 1976, 33.

of flue-cured tobacco, resulting in demand far outstripping supply.¹⁰ The situation was compounded by a 60 percent increase in world cigarette output since the 1960s against a world flue-cured tobacco production increase of only 20 percent.¹¹ In the circumstances, the world's three major stockpiles held in the USA, the Philippines and colonial Zimbabwe were drawn on to the extent that they were substantially reduced, and in the case of the former, eliminated.¹² This could not have come at a better time for colonial Zimbabwe. As discussed in Chapter Four, an accumulating stockpile due to the sanctions-induced shrinkage of disposal outlets negatively affected the viability of the local tobacco industry.

The international demand and supply-side tobacco outlook sketched above triggered optimism within the local tobacco industry. *The Rhodesian Financial Gazette* reported glowingly about the global market outlook and its prospects for colonial Zimbabwe. In its 18 May 1973 issue, it reported that:

The world tobacco market has swung dramatically in Rhodesia's favour, mainly because the US is being priced out of the market by rising production costs. With more and more overseas buyers turning to the cheaper Rhodesian market, prices for the Rhodesian leaf are improving, though still not enough to eliminate government subsidies to growers. So far, the main benefit to Rhodesia has been in the form of increased quantities of tobacco sold, with elimination of the stockpile representing a net gain in export earnings.¹³

High labour costs, a key contributor to overall production costs, reduced the price competitiveness of American tobacco in world markets. This had the effect of pricing America's best-selling grades out of most markets, creating room for colonial Zimbabwe to provide a substitute for these markets at a considerably cheaper price. For instance, at the beginning of the 1973 tobacco sales, American leaf was fetching an average price of Rhodesian \$1.17/kg against local tobacco's \$0.55/kg.¹⁴ As regards other potential competitors, again domestic dynamics played to the advantage of colonial Zimbabwe. For example, in such significant producers as India and Brazil, rising domestic consumption limited what could be availed for export, while Japan had turned from an exporter into a net importer. As a result, 'world stocks of flue-cured ... dwindled to a point where international traders had now to rely heavily on current crops.'¹⁵ In the circumstances of this period, the temptation for buyers to

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² *Ibid.*

¹³ *The Rhodesian Financial Gazette*, 18 May 1973.

¹⁴ *Ibid.*

¹⁵ *World Tobacco*, 52, 1976, 36.

defy sanctions and buy from colonial Zimbabwe was high. This opened markets for the colony's tobacco industry, with its high quality and clean crop.

There were attempts by USA tobacco growers to overcome high labour costs by extended mechanisation. However, this resulted in a lowering of tobacco grades, rendering their crop uncompetitive qualitatively, forcing buyers to look elsewhere for alternative suppliers. On the other hand, producers from developing countries faced a different set of problems. Most of them experienced ecological, technical and financial difficulties in switching from dark to light tobaccos.¹⁶ The Far East, which was price competitive, tended to produce a low-nicotine, neutral leaf lacking in flavour. While South American countries had an excellent export potential, the peasant farming systems raised doubts on the continuity of supply – which presented a difficult marketing problem.¹⁷ That left Central Africa – colonial Zimbabwe, Malawi, Zambia, Tanzania and Mozambique. Within this group, colonial Zimbabwe topped in yield per hectare and in production, handling and presentation techniques.¹⁸ Buying trends which placed importance on chemical residue in the finished product also gave colonial Zimbabwe an edge over other producers as her crop was 'unanimously regarded as the best quality in the world', with the lowest pesticide contamination levels.¹⁹

These circumstances triggered a strong feeling among Rhodesian tobacco growers that this was the moment for a substantial increase in tobacco growing targets, even if this meant abandonment of the price-support system.²⁰ The optimism of the period is aptly captured in the words of the then agriculture minister, David Smith, who declared:

We are poised for a very substantial expansion in the future because we can produce quantity, quality, and at a price at which we will be able to compete with any other producing country.²¹

However, the extent to which the local tobacco producers could take full advantage of the situation was limited. The world trade recession caused by the 1973 oil crisis dampened the industry's prospects by dropping prices on the Salisbury floors far below the industry's expectations. The recession had a profound effect on cigarette manufacturers. For instance, it made capital both scarce and expensive all over the world, aggravated by additional taxes on

¹⁶ *The Rhodesian Tobacco Journal*, 1976, 5.

¹⁷ See *Tobacco Today*, June 1975, 11. Report by RTA President, George Pio on the international outlook during the 1975 Congress.

¹⁸ *Tobacco Today*, June 1975, 11.

¹⁹ See H. R. Strack, *Sanctions: The Case of Rhodesia* (New York: Syracuse University Press, 1978), 94.

²⁰ *The Rhodesian Financial Gazette*, 27 April 1973.

²¹ *Ibid.*

cigarettes.²² With time, manufacturers were forced to reduce stock levels to restore liquidity, with obvious implications on the green crop. The length of time which elapsed between the sale of tobacco leaf and its eventual consumption by the consumer meant that in the face of liquidity crunch, manufacturers reduced their stock durations, naturally forcing demand for green tobacco to go down.²³ The situation was not helped by manufacturers' adoption of leaf-saving techniques such as the use of filter-tipped cigarettes, with longer filters and low nicotine content. This served manufacturers well during these difficult times: it reduced the quantity of tobacco used in a cigarette on one hand, whilst it was also a response to the anti-smoking campaign based on the health scare, on the other.²⁴ Colonial Zimbabwe's Minister of Tourism, Information and Immigration, J. J. L. de Kock acknowledged these challenges. Describing 1975 as 'a critical stage in the country's history,' he singled out the world trade recession as the main problem.²⁵

In addition to the general world recession afflicting the rest of world tobacco producers, colonial Zimbabwe faced unique problems. She still had to shoulder the double burden of the liberation war which cast a dark cloud over the country and international sanctions, which made procurement of essentials and marketing of produce cumbersome. While hailing 1974 as 'a year of substantial progress for the industry after a prolonged period of stagnation,' the Tobacco Marketing Board (TMB) regretted that the bright prospects were clouded by 'the necessity to ration fuel and fertiliser because of the international price and supply problems.'²⁶ A year later, RTA President George Pio acknowledged the impact of sanctions on Rhodesia during this period. Addressing the 1975 Congress he lamented:

it must be accepted that in our present situation ... with Rhodesia standing at the back of the international queue, market factors will manifest themselves here sooner and in a more violent manner than in other producing countries.²⁷

But was this to dampen the spirits of colonial Zimbabwe's tobacco producers? Pio's predecessor, Vec Hurley epitomised the unflinching determination of many when, during the 1974 Congress, he declared:

We have the land, we have the attitude and the technical ability. Let us exploit these attributes with energy and so ensure the expansion and prosperity of our industry and the permanence of our society and Rhodesia.²⁸

²² *Tobacco Today*, June 1973, 17.

²³ See *Ibid.* Stock duration- total stocks held, divided by known annual consumption.

²⁴ It was believed that filter-tipped cigarettes were less risky.

²⁵ *Rhodesia Herald*, 19 September 1975.

²⁶ *TMB Annual Report for the year ended 1974*; and the *Rhodesia Herald*, 26 April 1974.

²⁷ *Tobacco Today*, June 1975, 11.

²⁸ *The Rhodesian Tobacco Journal*, July 1974, 16.

Noteworthy is how he linked the production of tobacco to the ‘permanence’ of white Rhodesia. The strategic importance of keeping farmers in general, and tobacco growers in particular, on the land has received attention in Chapter Four. Understanding this helps to contextualise state-tobacco grower relations, even under the shadow of the liberation war.

It is notable that even during the first half of the 1970s decade, and contrary to conventional wisdom, there was paradigm shift in the politics of a section of the white farming community. Hurley asked a very pertinent question whose answer is found in the last section of this chapter. He asked: ‘We have proved our adaptability in the production of our crops, is it not time to introduce this adaptability into our political thinking.’²⁹ As will be illustrated in the last section of this chapter, indeed the colony’s tobacco growers adapted their political thinking when majority rule became inevitable. Meanwhile, the local tobacco industry did not lose sight of what it viewed as an overall positive global tobacco marketing environment, and the huge potential that lay ahead of it.³⁰ Needless to say the competitiveness of colonial Zimbabwe’s tobacco was largely achieved at the expense of African labour whose low wages were not reviewed since the 1960s despite the ballooning cost of living.³¹ The labour question became a huge political issue in the colony. Having sketched the global tobacco environment that looked quite promising, it is only fitting that the next section looks at local production dynamics as dictated by international and local factors.

Local Production and Marketing Dynamics

This section provides a general anatomy of the local tobacco industry within the broader context of war, sanctions and natural hazards, all against the backdrop of the world recession of the 1970s. The specific impact of the war on the industry is dealt with in more detail in a separate section. At both government and industry level, white settlers demonstrated consciousness of the challenges facing them. Addressing the Cape Midland Chamber of Industries in South Africa in 1972, finance minister, John Wrathall highlighted that he harboured no delusions about the future, which he conceded was not ‘a bed of roses.’³² Two years later, Adrian Griffith, Secretary for Agriculture, had this to say:

²⁹ *Ibid.*

³⁰ See *The Rhodesian Financial Gazette*, 20 June 1975. Despite the effects of health scares and increased cigarette duties, consumption was increasing at a compound rate of three to four per cent annually, while usage of tobacco was increasing at a compound rate of 2,5 per cent per annum. While virtually all producing countries were making efforts to increase production, in most cases this increase would be consumed by increased internal demand.

³¹ See *The Rhodesian Financial Gazette*, 22 June 1973. It reported that since 1963 farm workers’ wages increased by a mere 11 percent while their cost of living went up nearly 24 percent.

³² *Ibid.*, 17 November 1972.

A flourishing agricultural industry, which is after all the principal base to our economy, does not come about through the chance occurrence of a combination of foreign harvest misfortunes and unprecedented demand for raw materials. It must be based upon a system which enables it to survive indefinitely the irrational behaviour of weather and prices and the more subtle behaviour of international politics.³³

At the heart of the matter was the appreciation that survival of the country's tobacco industry was based on assuring the world that local tobacco growers were there to stay, and to provide the world with well-handled good quality tobacco at realistic prices on a continuing basis. These fundamentals spoke to security of tenure on land, maintenance and expansion of the farming skills base, efficiency in production, and related to this, continuity of supply. How Rhodesian tobacco growers sought to achieve these against the backdrop of sanctions, war and global economic recession is the subject-matter of this section.

The year 1973 was significant for colonial Zimbabwe's tobacco industry. For the first time since 1966, her flue-cured tobacco returned to the open auction system of sale. The 'return to the auction floor system,' noted Joseph Kurebwa, 'was necessitated by increasingly favourable global factors.'³⁴ These included 'the short supply of flue-cured tobacco on the international market,' discussed in the preceding section, and 'growing scepticism about the efficacy of sanctions during the early 1970s.'³⁵ The resultant prospects of high world market prices saw young farmers moving back into 'the terrorist-troubled areas of Centenary and Mount Darwin.'³⁶ In line with its existential policy of white land occupancy, Government provided financial support through the Agricultural Finance Corporation (AFC), which offered flexible loans designed for farm development.³⁷ However, a plethora of problems conspired to derail the industry. In the first place, security concerns arising out of the war remained a major worry despite growers' efforts to mitigate the problem.³⁸ As if security worries were not enough trouble for the industry, nature also struck in the same year. According to the TMB, the season was extremely difficult. Tobacco growers had to contend with the effects of 'one of the severest droughts ever experienced in Rhodesia.'³⁹ To compound the situation, growers in

³³ These were the words of Adrian Griffith, Rhodesian Secretary for Agriculture. See *The Rhodesian Financial Gazette*, 26 April, 1974.

³⁴ Kurebwa, *The Politics of Economic Sanctions*, 192.

³⁵ *Ibid.*

³⁶ *The Rhodesian Financial Gazette*, 17 August 1973.

³⁷ *Ibid.*

³⁸ See *Rhodesia Herald*, 28 August 1973. For instance, Hartley growers donated 50 bales which were sold and raised 4,000 dollars for the Hartley and District Territorial Fund meant to cater 'for comforts for Rhodesian troops serving in the Zambezi valley.'

³⁹ *TMB Annual Report for the Year Ended 1973*.

the northern areas complained of eelworm, which ravaged early-planted tobacco.⁴⁰ The pest, reported *The Rhodesian Financial Gazette*, caused the collapse of plants resulting in the loss of 'a fair amount of tobacco.'⁴¹ This was in addition to the havoc caused by hail. For example, Derek Hinde's Mazura Farm in Ruwa lost 25 and 35 hectares of tobacco and young maize respectively. In Marandellas District, John Pattison's Ponderosa Farm suffered hail-storm attacks during which about 26 ha of tobacco and 82 ha of knee-high maize were flattened. Further east in the Inyazura area, Kondozi Farm lost 25 ha of tobacco to hail. According to Vec Hurley, the year was 'probably one of the most difficult years that growers had ever experienced.'⁴² This was especially so in view of the fact that in the same year South Africa increased its rail rates by a staggering 163 percent.⁴³

On a positive note, despite the very unfavourable weather conditions, growers succeeded in reaping above average yield per hectare, although 'the quality of the tobacco crop was adversely affected.'⁴⁴ Even then, Hurley maintained that 'in the face of adversity, the Rhodesian grower ... produced a crop, the quality of which could not have been produced elsewhere in the world under such conditions.'⁴⁵ In terms of marketing, government came to the aid of the tobacco growing industry. It intervened at two levels: it increased tobacco guaranteed price by 4 cents from 51 to 55cents per kg; and, if in spite of the higher price a grower still showed losses as a result of the drought, he would qualify for assistance in terms of the government's drought-relief scheme.⁴⁶ These initiatives were aimed to improve the viability of marginal tobacco growers whose position was aggravated by the drought.

At the level of production the Tobacco Research Board (TRB) formed the Tobacco Productivity Department (PD) with the aim of improving profitability by increasing the national average yield per hectare. According to TMB standards, every hectare of land which was put to tobacco was capable of producing 200kg in most years, yet very few in fact did. The PD's job was to determine where this loss in potential was taking place; why it was taking place; and what could be done in practical terms to rectify the situation on the average farm.⁴⁷ On the marketing arena, technically, the return of open auctions saw the sales procedure reverting very closely to that followed prior to 1966. The administration and control of the

⁴⁰ *Rhodesia Herald*, 30 November 1973.

⁴¹ *The Rhodesian Financial Gazette*, 16 March 1973.

⁴² *Ibid.*, 22 June 1973.

⁴³ Mbanga, *A Century of Gold*, 160.

⁴⁴ *TMB Annual Report for the Year Ended 1973*.

⁴⁵ *The Rhodesian Tobacco Journal*, July, 1973, 10.

⁴⁶ *Ibid.*

⁴⁷ *TMB Annual Report for the Year Ended 1973*.

auction sales system returned to the TMB in terms of the Tobacco Marketing and Levy (Marketing) Rules which, apart from minor amendments, operated very much as before UDI. The first procedure was the classification of all bales into official grades which was followed, after a short interval – for the insertion of any support price – by open auction. Instead of taking over all tobacco at the point of classification as previously, the Tobacco Corporation now assumed the role of residual buyer, with the responsibility to take over only those bales not purchased by buyers at one cent per kg above the support price. Despite the fact that the Tobacco Corporation continued to set the support price, a considerable number of grades were offered and sold to buyers without support. Strict control of security remained in force though. The general public remained excluded from the auction sales. However, unlike immediately after UDI in the 1960s, growers, buyers and other ancillary staff were allowed to enter the floors.⁴⁸

The year 1974 was received with optimism in Rhodesian tobacco circles. The TMB described it as ‘a year of substantial progress for the industry after a prolonged period of stagnation.’⁴⁹ ‘Despite sanctions’, the Board noted:

the sale by auction of a large good-quality tobacco crop at a respectable price, judged even by the pre-UDI standards, was heartening for those who had anticipated a resurgence of the Rhodesian tobacco industry.⁵⁰

The industry’s optimism was evidenced by the call for the reopening of a third auction floor, the Tobacco Producers’ Floor, to augment the two already in operation. More evidence of the improving health of the industry was provided by the removal of production control for the 1974/5 crop.⁵¹ Unlike 1973 which was ravaged by drought, in 1974 the rains came ‘with a vengeance’ making the season ‘the wettest ... on record in many areas.’⁵² Prolonged and heavy periods of rainfall, interspersed with sunny spells, were the general pattern. Despite the rather unfavourably too wet conditions which significantly reduced hectare yields, growers succeeded in producing a fairly attractive crop, all grades being usable and in strong demand.⁵³ Interestingly, not every grower was happy with the way things panned out. In a letter to the *Rhodesia Herald* editor, P. J. Synyman described the start of the selling season as ‘the only legalised robberies allowed in Rhodesia.’⁵⁴ He accused the RTA of standing by ‘helplessly’ as

⁴⁸ *Ibid.*

⁴⁹ *TMB Annual Report for the Year Ended 1974.*

⁵⁰ *Ibid.*

⁵¹ *Ibid.*

⁵² *The Rhodesian Tobacco Journal*, ‘Editorial Comment,’ January 1974, 3.

⁵³ *TMB Annual Report for the Year Ended 1974.*

⁵⁴ *Rhodesia Herald*, ‘Letter to the Editor,’ 31 May 1974.

tobacco growers lost ‘what hopes [they] had for a reasonable and fair return for [their] year’s work.’⁵⁵ Likening tobacco buyers to a Dracula, he rhetorically asked:

How long do we have to put up with our Dracula – the tobacco buyer? I can assure Dracula that with escalating input costs and labour problems, he will find himself minus a blood supply soon.⁵⁶

Synyman criticism aside, the industry faced fundamental problems beyond the control of the RTA. For instance, as noted before, the bright prospects painted by the TMB were clouded by the necessity to ration fuel and fertiliser because of the international price and supply problems.⁵⁷ In the face of the global recession and sanctions, high capital and input costs and labour and equipment supply inhibited any substantial increase in production, not to mention the impact of the liberation war. Just to get a sense of the challenges: in the same year fuel costs went up by nearly 40 per cent, fertiliser costs by 20 per cent, insecticides and herbicides by 50 per cent, stock feeds by 35 per cent and transport by 10 per cent.⁵⁸

In light of the changing circumstances, the Board re-examined its future role within the industry, placing the marketing system under close examination. Because the reopening of free auctions in 1973 saw many of the defects in the selling system which had already been apparent prior to closure of auctions in 1966 resurfacing, a high level committee was established to review the prevailing system of control and organisation of the tobacco industry. The TMB also had to shed off some institutions which had been rendered redundant by change. For instance, following the removal of production control and pricing by classification, the specialist committees which had handled these complex problems over a period of eight years were dissolved. New ones such as the Orderly Marketing Committee, under the chairmanship of the TMB General Manager, and tasked with the duty of resolving problems connected with the sales, came into being. A Sales Improvement Committee representing all the marketing sectors and assigned the task of examining and evaluating changes and improvements to the auction selling system, and in the presentation of tobacco on the auction floors, was also established.⁵⁹

Government still played a big part in the industry in 1974. It guaranteed a price of 61 cents/kg up from the previous season’s 55 cents. Wrathall disclosed that a subsidy of Rhodesian (RH) \$8.5 million was provided for the Tobacco Corporation to cover losses in selling tobacco

⁵⁵ *Ibid.*

⁵⁶ *Ibid.*

⁵⁷ *Rhodesia Herald*, 26 April 1974.

⁵⁸ *Ibid.*, 22 April 1974.

⁵⁹ *TMB Annual Report for the year ended 1974.*

stocks up to the end of June 1974.⁶⁰ This brought the total Exchequer contribution since the formation of the Corporation to RH \$109.7 million⁶¹. Even if the stockpiles were eliminated, the Tobacco Corporation was to continue to operate – providing specialist services including export promotion. Another subsidy of RH \$10 million was required to offset more increases in the cost of producing ammonium nitrate in Rhodesia and to offset the higher prices of imports to make up the shortfall on domestic production. Government also made provisions for the cost of providing protective fencing and security lighting for homesteads and farm compounds in designated sensitive areas to the tune of RH \$2.2 million.⁶² This was made to apply in retrospective so that farmers could recover costs of fencing and lighting erected at their own expense.⁶³

The year 1975 was a forgettable one for the industry. In September 1974, the Farm Management Research Section of the Ministry of Agriculture gave a warning about the waning profitability of the industry. According to them, profitability of farming was expected to take a severe knock in 1975 due to rising input costs which were expected to increase by an average of about 15 percent. These included seed, fertiliser, fuel, and wages, among other necessities. They projected tobacco's costs of production to rise above the national average of 15 percent to reach 17 per cent.⁶⁴ The situation was compounded by the fact that at the beginning of March 1975 the government had abruptly withdrawn a fertiliser subsidy of RH \$14 million.⁶⁵ Four months later, in July 1974, Roy Ashburner painted a very gloomy portrait of the industry. Contributing to debate during the 1975 RTA Congress, he said:

There is today a crisis of confidence in the tobacco industry. Growers are confused, bewildered and unsure of the future. Almost half of the tobacco crop is currently produced in the security sensitive areas, and if farmers are to remain on the land, morale and confidence will have to be maintained.⁶⁶

Participating in the same debate, more delegates portrayed the desperate situations in their respective districts. For instance, Peter Walsh of Karoi felt there was a real problem in his district where as many as 58 farms were on sale.⁶⁷

Apart from production costs, the industry faced other challenges in 1975. With the independence of Mozambique, the liberation war escalated. On the other hand, adverse

⁶⁰ *Rhodesia Herald*, 30 August 1974.

⁶¹ *Ibid.*

⁶² *Ibid.*

⁶³ *Ibid.*

⁶⁴ *Rhodesian Financial Gazette*, 13 September 1974.

⁶⁵ *Rhodesia Herald*, 20 March 1975.

⁶⁶ *Tobacco Today*, July 1975, 23.

⁶⁷ *Ibid.*

weather conditions, particularly in the early part of the growing season when rainfall was exceptionally heavy in many areas affected planting, growth and quality of the crop.⁶⁸ The marketing season which followed did not help matters. Prices were disappointing across grades and they did not reach 1974 levels.⁶⁹ Squeezed between rapidly rising input costs and reduced market prices, the majority of growers experienced a frustrating year of reduced profitability and in many cases financial loss.⁷⁰ The Tobacco Producers Floor whose re-opening was enthusiastically received was forced to close at the end of the season.

The RTA President George Pio described the 1975 season as a disaster and called for government intervention to save the tobacco industry from collapse. The magnitude of the problem was evident in that whereas growers anticipated a return of RH \$58 million on crop sales, in actual fact returns were down to 62 percent of this figure.⁷¹ Only 13 percent of growers showed returns of RH \$1,200 per hectare which showed a profit and enabled them to plant a similar size crop the next season without incurring further debts. 22 per cent would be able to recoup their costs and be able to finance a similar size crop next season without seeking extra credit facilities. 32 percent would recoup direct costs but would be unable to fulfil long-term commitments and would be unable to finance a similar size crop without new credit facilities. 33 per cent would not recover direct costs and without necessary aid from government would not be able to meet credit commitments or grow a sizeable crop.⁷² Unless Government came to the aid of tobacco growers with substantial financial backing, Pio pointed out, 'the future of one of Rhodesia's biggest foreign currency earner [was] bleak.'⁷³ Against that background, growers called for a government guaranteed minimum pre-planting price for the entire industry. The industry was looking at Government backing to the tune of RH \$18 million to cover losses suffered through disappointing sales and to be able to plant a comparable crop for the coming season.⁷⁴ Government intervened and announced a support price of 80c per kg for 1976. In its comment section, the *Rhodesia*

⁶⁸ *TMB Annual Report for the Year 1975*.

⁶⁹ *Ibid.* Among other factors, the weakening of the US dollar affected buyers. For instance, in April 1974 the US dollar was quoted at 1.70 to the Rhodesian dollar, whereas at the opening day of the auctions on April 7, 1975, the figure stood at 1.87.

⁷⁰ *Ibid.*

⁷¹ *Rhodesia Herald*, 19 September 1975.

⁷² *The Rhodesian Financial Gazette*, 18 September 1975.

⁷³ *Rhodesia Herald*, 19 September 1975.

⁷⁴ *The Rhodesian Financial Gazette*, 18 September 1975.

Herald reported that were it not for this intervention 'one third of growers would have gone under.'⁷⁵

The 1975/76 season opened bleakly in both production and marketing spheres but ended on a fairly positive note. Opening the 1976 RTA Congress in July of that year, Chairman of the Victims of Terrorism Compensation Fund Alwyn Calder highlighted the challenges facing the local tobacco industry. He noted that the Congress was meeting:

at a time when the tobacco industry in this Country, and the growers in particular, face difficulties as great and as complex as any they have had in the long history of tobacco production in Rhodesia.⁷⁶

He singled out incursions by African liberation war fighters in the north-eastern areas as some of the critical problems facing the industry. This receives further attention in succeeding sections. On the other hand, the late rains created much anxiety. When good rainfall finally came, the tobacco industry achieved record yields. However, with manpower depleted by military commitments, the marketing of the bumper crop placed a strain in all sectors of the industry. The completion of the sales without undue delay was substantially assisted by the excellent working relationship built up between the Defence Exemption Board, the Salisbury Province Police Reserve, and the Board's staff, who were responsible for the processing of service deferments for the tobacco marketing sector.⁷⁷

The large crop produced in 1976 received a low average price. This aroused the need to reintroduce some form of production control. Not wishing to return to the strict production control after two unfettered years, the RTA, in close consultation with the government, devised a scheme which left to the individual grower the final decision on his level of production. Known as the 'entitlement scheme,' it recommended a target on the 1977 crop production with government guaranteeing this to a realistic price level.⁷⁸ In addition, a further unsupported amount was added, which in conjunction with the guaranteed allotment, was considered to be the absolute maximum crop target for 1977 beyond which growers would again suffer the symptoms of an over-produced market. In order to leave the final decision in the hands of the individual, no rule was introduced to limit a grower's production to the amount of allocated entitlement. However, a disincentive was included in the scheme whereby a grower who exceeded his allocated entitlement would lose government support on 3 kg of supported entitlement for each 2 kg sold in excess. The formula for calculating a grower's provisional

⁷⁵ *Rhodesia Herald*, 'Editorial Comment', 20 September 1975.

⁷⁶ *The Rhodesian Tobacco Journal*, June 1976, 4.

⁷⁷ *TMB Annual Report for the Year 1976*.

⁷⁸ *Ibid.*

entitlement was based on his average yield for 1974/5 and his second estimate for 1975/76. The average yield multiplied by the area grown in 1975/6 became the base for his provisional entitlement which was cut by 35 per cent to obtain his 'A' or supported entitlement and this figure cut by 77 per cent to obtain his 'B' or unsupported entitlement.⁷⁹ Notwithstanding this, and for a variety of reasons, the TMB considered 1977 a very difficult year, although it had its brighter moments.⁸⁰ The Board described the weather pattern as 'half drought, half flood.'⁸¹ Worse still, the Board noted:

The absence of growers on military commitment at critical times in the handling of their crops resulted in the reduction of management skills and heavy losses of tobacco, particularly due to mould.⁸²

In addition, the implementation of the entitlement scheme with the attendant magnitude of calculations and their complexities delayed the final pay-out to growers.

The years 1978 to 1979 were characterised by the growing intensity of the war of liberation. This put the industry and its players in a difficult situation. As will be clearer in the next section, disruptions and intimidation of labour, sabotage through acts of arson on farms and the general breakdown of security in the north and north-eastern parts of the country dominated these years. Like in preceding years, the situation was compounded by natural disasters. For instance, during the 1978/79 season southern Africa found itself 'in the grip of worsening drought.'⁸³ Locally, Mazoe Member of Parliament and former RNFU President, Paddy Millar, alluded to the complexity of the challenges facing the industry. He disclosed that 'farmers were caught in a three-way squeeze between the terrorist war, soaring production costs and the season's disastrous drought.'⁸⁴ He further argued that farmers needed reassurance about where they stood, especially those in border areas who 'were generally facing the greatest terrorist pressure and economic hardship.'⁸⁵ He added that 'these people should be catered for outside the Government's normal crop pricing policies and given cash grants to help them out.'⁸⁶ The industry and government's response to these challenges will be discussed in detail in a later section.

⁷⁹ *TMB Annual Report for the Year 1976.*

⁸⁰ *Ibid.*

⁸¹ *Ibid.*

⁸² *Ibid.*

⁸³ *Rhodesia Herald*, 31. January 1979.

⁸⁴ *Sunday Mail*, 18 March 1979.

⁸⁵ *Ibid.*

⁸⁶ *Ibid.*

A crucial factor to also note about tobacco production during this period is the aspect of labour. The labour question seized the industry from its very beginning at the turn of the century before getting amplified in the post-Second World War era when production picked up pace. In Chapter Two, this thesis flagged some of these issues including highlighting desperate attempts to recruit European labour to work on Rhodesian tobacco farms. This problem did not go away. In fact it continued to dog the industry, worsening during the 1970s. In 1973 Vec Hurley revealed that 45 percent of Rhodesia's tobacco growers were short of labour.⁸⁷ This he attributed to the fact that 'over the years our African workers have not received just payment.'⁸⁸ This was in view of the fact that since 1963, the average wages of farm workers rose 'a mere 11 per cent, whereas their cost of living ha[d]gone up nearly 24 per cent.'⁸⁹ This meant that in real spending power, farm workers were some 13 per cent worse off than they were 10 years ago.⁹⁰ The labour challenge continued unabated. This, Hurley added, was partly attributed to Africans who preferred to 'gravitate towards the urban centres where they feel they can get "prestige" jobs.'⁹¹ Those in the Tribal Trust Lands (TTLs) 'whilst available for seasonable work, [were] not prepared to find full time employment on European farms.'⁹² To compound the matter, 'traditional sources of labour supply such as Malawi and Mozambique ha[d] dried up.'⁹³ The situation was not helped by Government's decision to allow South African mines to recruit labour in Rhodesia.

A report of the Director of Census and Statistics on African Farm Labour as at December 1974 gives a sense of the extent of labour shortages. According to the report, tobacco producing areas experienced acute shortage of African labour (both permanent and casual). For instance, overall Mashonaland North had the highest percentage of shortages at 55 percent, followed by Mashonaland South at 54 percent, and finally Manicaland at 34 percent. In Mashonaland North, out of a total number of 1,422 farms, a staggering 792 were short of permanent African labour. As regards seasonal labour, the province was short of 14,224 labourers. In Mashonaland South 587 farms out of 1,701 were short of permanent African labour as well as 8,310 seasonal labourers. As for Manicaland 237 farms out of 850 required permanent African labour in addition to 3,605 seasonal workers. The provincial figures mask

⁸⁷ *The Rhodesian Financial Gazette*, 22 June 1973.

⁸⁸ *Ibid.*

⁸⁹ *Ibid.*

⁹⁰ *Ibid.*

⁹¹ *Ibid.*, 17 January 1975.

⁹² *Ibid.*

⁹³ *Ibid.*

the magnitude of the problem at district level. In Mashonaland North for example, 61 percent of farms in Karoi Central and 68 percent in Tengwe district (both of which were prime tobacco lands) were short of labour, far above the provincial figure of 55 percent. The same applied to Mashonaland South where in Mtoko, 55 percent of farms were short, slightly above the provincial percentage which stood at 54 percent. The trend was also noticeable in Manicaland.⁹⁴

The labour problem facing the colony's tobacco industry had two dimensions: lack of both African labour and European farm managers and assistants. The Headlands/Macheke/Rusape tobacco district resolution calling upon Congress to prioritise and increase the training of tobacco managers and supervisors was a response to this.⁹⁵ The same point was reinforced by Hurley who bemoaned limitations exerted on expansion by labour and management problems, noting that there was a management gap which was left in the industry over the past six to seven years.⁹⁶ It can also be argued that the shortage of European labour was partly due to the escalating war of independence which saw some farmers in the border areas abandoning farming.

The industry adopted measures to mitigate the labour challenge. The 1974 Congress unanimously carried a resolution by Tengwe district to put more emphasis on research into improved techniques, mechanisation and productivity in the tobacco industry.⁹⁷ With respect to the ageing pool of European tobacco growers, the RTA took it upon itself to attract youthful tobacco growers into the industry.⁹⁸ To this end, they appointed a special committee on European recruitment whose findings and recommendations were circulated to all registered tobacco growers. The objective of the investigation was to find out why insufficient Europeans were entering the growing side of the tobacco industry, and to suggest ways and means of improving the situation. The committee noted that the low number of school leavers applying for jobs as tobacco learners indicated that something was wrong. The problem, the committee found, was caused by diminishing prospects for a manager to rent or buy his own farm. Salaries and working conditions insufficiently competitive to attract recruits, compared with those offered by commerce and industry, were also identified as one of the problems responsible for

⁹⁴ NAZ, Records office, File C12.12.11F, Box 239715, G/13 Director of Census and Statistics to the Secretary for Agriculture: Shortage of African Farm Labour: December Census Results: 1974.

⁹⁵ *The Rhodesian Tobacco Journal*, July 1974, 14-15

⁹⁶ *The Rhodesian Financial Gazette*, 22 June 1973.

⁹⁷ *The Rhodesian Tobacco Journal*, July 1974, 14-15.

⁹⁸ *The Rhodesian Financial Gazette*, 22 June 1973.

European labour shortages.⁹⁹ If tobacco farming was to compete with commerce and industry for recruits then it had to match salaries, the committee recommended.

On the other hand, shortages of African labour induced attitude changes among tobacco growers. Addressing the 1975 congress, Hurley argued it was time ‘for tobacco growers to provide their African workers with reasonable salaries as well as working conditions of an acceptable standard.’¹⁰⁰ Consequently, there were hikes of 30 per cent in wage packages in 1975, in addition to the introduction of a compulsory pension scheme to provide security.¹⁰¹ The RTA made training facilities available to Africans, ‘spending RH \$377,000 on a training farm, mainly for Africans.’¹⁰² Despite all these measures, the intensifying war of liberation continued to negatively impact on the tobacco farm labour market. As will be discussed in the succeeding section, cases of sabotage, labour intimidation and outright murders of growers and their employees made tobacco farming a very risk job during the late 1970s.

‘Under the shadow of terrorism’: The unbearable burden of farming and fighting, and farming as fighting

From December 1972 onwards, wrote Joseph Kurebwa, ‘the guerrilla war complemented sanctions in bringing pressure to bear on the Rhodesian economy.’¹⁰³ This was because of the heavy human, material and financial losses it caused, he added. In view of this observation, this section focuses on the impacts of the war on the tobacco industry. As highlighted in the introduction to this chapter, it was a complex war which encompassed the actual physical confrontation with liberation fighters, the ‘war of numbers’ and the economic struggle for survival. In all its dimensions, the position of the farmer in general and the tobacco farmer in particular was central. Because of his geographical positioning, the farmer assumed the unenviable task of being the first line of defence against ‘terrorist’ incursions. In the same vein, his continued occupancy of land was a key cog in the ‘war of numbers’ whose victory would entrench white interests in colonial Zimbabwe, while his production of foreign currency earning flue-cured tobacco remained a vital contribution to the economic warfare facing the sanctioned rebel regime.¹⁰⁴ This section discusses how the tobacco grower endured the physical

⁹⁹ *Rhodesia Herald*, 19 July 1974.

¹⁰⁰ *The Rhodesian Financial Gazette*, 27 June 1974.

¹⁰¹ *Ibid.*, 17 January 1975.

¹⁰² *The Rhodesian Tobacco Journal*, July 1975, 11-12.

¹⁰³ Kurebwa, *The Politics of Economic Sanctions*, 298.

¹⁰⁴ See *Rhodesia Herald*, 18 June 1977. Even in 1977 it still described tobacco as ‘Rhodesia’s most important commodity.’ Growers reportedly spent \$64 million annually- with \$12 million spent on fertilisers and chemicals, \$6 million on coal, \$20 million on wages and a further \$40 million spent on handling and processing of the commodity; See also *ibid.*, 9 December 1977 which quoted RTA President Gyles Dorward telling a lunchtime meeting of the Rotary Club that tobacco was still the biggest foreign currency earner.

war and farming his land. In doing so, the section illuminates how the war impacted on the grower's main business, tobacco production, and the mitigation measures adopted in response.

In a way, this is a reaction to an observation made by Pilosof. Commenting on the editorial policies of *The Farmer* (a magazine), he noted:

Various comments were made about international sanctions and the internal security situation, but very little was said about the impact of these on the farming community.¹⁰⁵

While Pilosof's comment was made in respect of coverage in *The Farmer*, it has a general application. The impacts of the war on farmers, and their diverse reactions, Angus Selby concurs, 'are generally absent in the literature, as their changing relationship with the Rhodesian state during this period.'¹⁰⁶ Against this background, this section examines the extent to which the war disrupted tobacco farming activities. Concurrently, the section sheds light on how tobacco growers perceived the war, and how their perceptions shifted over time. For a detailed appreciation of the war impacts, the section focuses particularly on events of the year 1978. The choice of 1978 is informed by two considerations: first, it is generally accepted as one in which the war's intensity reached unprecedented levels; and second, availability of material.¹⁰⁷ The section taps into a hitherto unused 'highly confidential' district by district diary of the RTA which recorded reports of 'terrorist-related' disruptions and the actions taken to mitigate them. This gives a sense of the magnitude of the challenges facing the industry during this time.

Before venturing into the finer details of what the war meant for tobacco growers, it is pertinent to have a general sense of how it was perceived within tobacco circles. Nothing captures the tobacco grower's dilemma during this period better than the words of former RTA President and later RF Senator Carol Heurtley. 'I do not believe one can go on farming forever with a gun in one's hand,' Heurtley said.¹⁰⁸ This vividly portrays how the Rhodesian farmer was overstretched by the dictates of the war in its entire complexity. Indeed, military duties imposed exacting obligations on the tobacco grower, who at the same time was expected to continue shouldering the burden of farming. But the military obligations were just half the

¹⁰⁵ Pilosof, *The Unbearable Whiteness*, 77.

¹⁰⁶ Selby, 'Commercial Farmers and the State', 76.

¹⁰⁷ See for instance, Pilosof, *The Unbearable Whiteness*, Appendix 5: 'White farmers killed between 1964-79, 1981-87 and 2000-04,' 220. Apparently more farmers were killed in 1978 than in any other year; See also Kurebwa, *The Politics of Economic Sanctions*, 300. He notes a drastic fall in white population in the same year due to increased emigration against dwindling immigration.

¹⁰⁸ See *Rhodesia Herald*, 3 July 1975. The magnitude of the problem is evident from the newspaper's report that 50 percent of the country's national tobacco output came from the 'terrorist-affected' areas.

problems facing the grower. Apart from the risk of losing life and limb, the war brought about other operational hurdles: labour shortages and general sabotage. On the economic front, it 'provided sanctions with a cutting edge, thereby increasing their efficacy.'¹⁰⁹ The escalation of the war in the late 1970s 'intensified the vulnerability of the Rhodesian economy to sanctions.'¹¹⁰ Against this background, the farmer was still expected to remain on the land not only to 'ensure the expansion and prosperity of [the] industry,' but also more importantly for white Rhodesia, to guarantee 'the permanence of [the white] society and Rhodesia.'¹¹¹ Such was the heavy burden placed on the frail shoulders of an ageing tobacco grower class, in whose wrinkled hands the future of white Rhodesia was firmly placed.¹¹²

The physical, economic and psychological implications of the war on the Rhodesian tobacco grower was captured in Vec Hurley's address to the 1974 RTA Congress. He noted that tobacco growers were completing their second year 'under the shadow of terrorism,' adding, that they had borne and continued to bear much of the brunt of the attack.¹¹³ One way of demonstrating the impact of sanctions and war on the Rhodesian tobacco industry is to look at the number of growers before and after UDI. Fig. 3 on page 112 shows how the industry grew from 1947 to just before UDI and from UDI to the fall of the Smith regime in 1979. From a high of over 3,000 growers in 1964, the number fell to just above 1,500 by 1979. The fall in the number of growers in the 1970s can be explained by the intensification of war in the north eastern parts of the country which were largely tobacco areas. Reports of abandoned or vacant farms were prevalent during this period. According to Pilosof, 'there were many articles (in *The Farmer* magazine) on the dangers that vacant and deserted farms posed to the country.'¹¹⁴ This mainly affected tobacco areas. An analysis of the Roll of Honour, a list of war casualties, carried in *The Farmer at War* shows that casualties were concentrated in such areas as Karoi, Doma, Aryshire, Headlands and Shamva among others, which were predominantly tobacco growing areas.¹¹⁵ Hurley confirmed that the tobacco growing community suffered casualties.

¹⁰⁹ Kurebwa, *The Politics of Economic Sanctions*, 301.

¹¹⁰ *Ibid.*

¹¹¹ *The Rhodesian Tobacco Journal*, July 1974, 16. These were the words of RTA President, Vec Hurley; See also *Rhodesian Herald*, 9 December 1977. RTA President Dorward was quoted complaining about the soaring cost of production. He gave two examples: whereas in 1974 selling 4.6 tonnes of tobacco was enough to buy a 60 Horse power tractor, by 1977 the tonnage had increased to 8.8 for a similar tractor. Sale of 88 kg of tobacco was enough to buy one tonne of fertiliser in 1974 but three years later one needed 156kg of tobacco for the same tonnage of fertiliser.

¹¹² By 1977 nearly 40 percent of growers were above 50 years of age. See *Rhodesian Tobacco Today*, August 1977, 9.

¹¹³ See *Rhodesia Herald*, 27 June 1974.

¹¹⁴ Pilosof, *The Unbearable Whiteness*, 81.

¹¹⁵ See T. Gundy and B. Miller, *The Farmer at War* (Salisbury: RNFU, 1979), 132-141.

Economically they had to neglect their crops without compensation for 'lost income' whilst they continued to render military services to their districts and country.¹¹⁶ No doubt this had psychological impacts on the growers' families and communities again for which no compensation was neither given nor expected. This demonstrates the extent of sacrifice that growers had to endure as a direct result of the war.

The situation portrayed by Hurley was also echoed by the Chairman of the Terrorist Victims Relief Fund, Alwyn Calder. Officially opening the 1976 RTA Congress, Calder also conceded that 'more recently tobacco growers ... have borne the brunt of the dastardly terrorist incursions in the north-eastern area of the country.'¹¹⁷ Unlike other sections of white Rhodesia who exhibited futile bravado in the face of a devastating war by projecting the nationalist war as under control, tobacco growers were among the first groups to take an open approach. Acknowledging the devastating nature of the war early was in itself a clear sign of the tobacco growing community's changing political outlook. During the 1976 Congress, RTA President, George Pio, abandoned the general Rhodesian apoliticism to make a not-so-veiled political statement.¹¹⁸ He said:

A year ago, I outlined to politicians in detail the requirements which the tobacco industry had in order to realise its full potential for the benefit of all the people of this country. I am disappointed with the lack of progress in the direction in which I suggested. The solution ... will have to be the product of imaginative original thought along rather revolutionary lines. We cannot leave this to politicians only.¹¹⁹

One point sticks out from this: the call for 'revolutionary' solutions to Rhodesian problems which encompassed farmers' participation in the search for the solutions. In terms of the direction the country was supposed to take, Pio did not leave anything to speculation. Calling for a 'practical, realistic and morally defensible' solution, he argued that the ordinary African could not identify himself with the government of the country, 'the Whiteman's Government' of which he had no part to play.¹²⁰ Clearly, as early as the mid-1970s the war had had serious implications in the political thinking of the tobacco growing community. The changing political outlook of growers whose strong views on race relations were well known makes it pertinent to understand how the war had impacted on them.¹²¹

¹¹⁶ *Ibid.*

¹¹⁷ *The Rhodesian Tobacco Journal*, June 1976, 4.

¹¹⁸ For the concept of apoliticism see Chapter Three of Pilosof, *The Unbearable Whiteness*, 67-116.

¹¹⁹ *The Rhodesian Tobacco Journal*, June 1976, 19-20.

¹²⁰ *Ibid.*

¹²¹ For general white attitudes to the possibility of majority rule see Flower, *Serving Secretly*, especially Chapter Two; See also Chapter Five of Hooper, 'The Political Economy.'

The centrality of farmers in the battle for the survival of colonial Zimbabwe through continued land occupancy, did not escape the attention of the nationalist guerrilla forces. They directed their force at the farmers with a view to uproot their tentacles from the land. This they did through sporadic acts of sabotage and harassment – meant to make farming impossible and drive farmers off the land – that reached their peak in 1978.¹²² A number of methods were deployed to achieve this purpose. These ranged from gruesome murders, acts of arson, labour intimidation to abductions. Even when confronted with this, tobacco growers were determined to continue staying on the land. Government and the RTA came up with various measures and interventions to keep growers on the land.

The clearest evidence of the intensity of the war was the increasing cases of vacant or abandoned farms during this period. A perusal of the newspapers during this period reveals the prevalence of reports on vacant farms in the ultra-sensitive areas of the country. A few examples will demonstrate the intensity of the problem. The MP for Mtoko, Rodney Simmonds, revealed that one out of three homesteads in his constituency was empty. Among other viability problems, he attributed this to the heating up of the war in the area.¹²³ In a separate incident, the issue of growers who were abandoning or who intended to abandon their farms topped the agenda of a meeting held at the Ministry of Agriculture on 3 May 1978 on the subject of resettlement.¹²⁴ In that meeting it came out that a number of farmers in various districts were considering moving. See Table 9 below. It is interesting to note that of the six farmers in Mayo who considered leaving, only two were terminating farming, with the rest – constituting over 66 percent – seeking to relocate to other safer farming areas. The trend is noticeable in other areas and it demonstrates how the war was pushing farmers off the land especially in the eastern and north-eastern areas of the country. RTA President, Don Bulloch, also confirmed the issue of vacant farms. Admitting that about four million hectares of good land was vacant, he remarked that this was:

because many highly productive and skilled commercial farmers, who were contributing much to the economy, and employment have been forced off their land by the security situation, that has caused the deaths of many

¹²² See for instance, J. Mtisi, M. Nyakudya and T. Barnes, 'War in Rhodesia, 1965-1980', in B. Raftopoulos, & A. Mlambo (eds.) *Becoming Zimbabwe: A History from the Pre-colonial Period to 2008*, (Harare: Weaver Press, 2008) ; and R. Mugabe, *Our War of Liberation: Speeches, Articles, Interviews, 1976-1979* (Gweru, Mambo Press, 1983).

¹²³ *Rhodesia Herald*, 26 July 1975.

¹²⁴ NAZ, Records office, File C12.12.11F, Box 239715, G/13, Notes of a Meeting held at the Ministry of Agriculture on Resettlement, 3 May 1978.

growers and their families, and even more deaths of their labour forces and their families.¹²⁵

Table 9: Farmers Considering Leaving Farming by District as at 3 May 1978

DISTRICT	FARMERS CONSIDERING LEAVING
Mayo	6
Mtoko	14
Virginia	8
Chinika	7
Inyazura	12
Odzi/Umtali North	5
Headlands	1

Source: Table was designed by author using data obtained from NAZ, Records office, File C12.12.11F, Box 239715, G/13.

The decision to abandon farming was premised on two considerations: the need to evade death at the hands of liberation war forces; and war-induced viability problems, particularly labour shortages due to ‘intimidation’.¹²⁶ These fears were not unfounded. For instance, B. Vermeulen of Maruma Farm in Headlands/Macheke/Rusape District was ambushed and killed on his farm on 11 January 1978. Although his widow was offered help by the RTA and neighbours, she decided to discontinue farming operations and moved to South Africa.¹²⁷ The same fate befell E. Hards of Freugh Farm in Bindura/Shamva District who also met his demise on his farm at the hands of African freedom fighters on 8 April 1978. His widow abandoned farming and left for Canada.¹²⁸ G. C. Boyd-Clark of Mount Zonga Farm in Inyazura/Odзи District escaped death, but was seriously injured when he was ambushed 300 metres from his home on 8 November 1978.¹²⁹ Earlier, P. R. Benade of Urumtumbu Farm in Mrewa/Mtoko District was injured by a landmine on his way to his farm resulting in his hospitalisation. When he was discharged from hospital he tried to resume operations with the help of the RTA and neighbours but further attacks and intimidation of labour saw him abandoning the farm to go and reside in Beatrice.¹³⁰ D. C. Bagnall of Bryden Farm was killed

¹²⁵ *Rhodesian Tobacco Today*, August 1978, 5.

¹²⁶ It is important to note that all cases of labour absconding were attributed to intimidation. In the farmers’ vocabulary there was no room for worker initiative to support freedom fighters.

¹²⁷ NAZ, Records Office, Location C12.12.11F, Box 239715, G13, Labour Shortages: Problems in Farming Areas, March 1975-Feb 1978, Rhodesia Tobacco Association: Summary of Action taken to assist Tobacco Growers in Sensitive Areas, District 4: Headlands/Macheke/Rusape, 11 January 1978.

¹²⁸ *Ibid.*, District 6: Bindura/Shamva, 10 April 1978.

¹²⁹ *Ibid.*, District 10: Inyazura/Odзи, 8 November 1977.

¹³⁰ *Ibid.*, District 13: Mrewa/Mtoko, 22 January 1978.

in his tobacco field and all farm records were stolen from his vehicle.’¹³¹ Many cases of murder on farms were reported. There were also cases of farmers who were abducted from their farms never to be seen again. The case of J. H. Maartens of Maringowe Farm was just one example.¹³² Clearly farming had become high risk activity in the sensitive areas. It is evident from the few examples given above that the risk and possibility of death at the hands of freedom fighters was real. It is no wonder why the faint-hearted packed their bags and left, leaving a chunk of vacant farming land, in itself a major security risk.¹³³

The killing of white farmers occurred concurrently with the harassment and intimidation of African farm workers. In some instances, farm workers also suffered the same fate as their white employers. Some examples will reinforce this point. In a letter to the Secretary for Agriculture, Conex Director J. H. H. Louwrens reported the killing of six labourers in Manicaland.¹³⁴ Another report of the murder of 15 more farm workers at Wilshaven (Courtney) Farm, with an unspecified number injured by land mine was also received, whilst six more labourers were murdered at Cupa Farm in Beatrice on 31 December 1978.¹³⁵ Other victims included a ‘boss boy’ from Lywood Farm who was ‘blown up and killed in landmine’ on 1 May 1978. The killing of labourers was the highest level of intimidation. There were other acts of sabotage and intimidation carried out by the freedom fighters to strike fear in the hearts of farm workers. An example of such acts of sabotage is what happened at Royal Bucks Farm in Ayrshire District where ‘all 13 male labourers had had their arms broken’ before being ordered to leave the farm.¹³⁶ In other cases, like the Chigati Farm case, labourers received a thorough beating and were warned never to return to the farm, otherwise worse treatment would befall them. Because of these acts, large numbers of farm workers absconded work, leaving white farmers at a loss as to what to do to continue farming. If there was any case that gave tobacco growers serious headaches it was the labour question. The last section hinted on the general shortage of labour, a situation which was further compounded by the war. Cases of the entire labour force absconding were not uncommon during this period. At Urutumbu Farm for instance, there was a report of ‘crop rotting on the land’ due to lack of

¹³¹ Ibid., District 4: Headlands/Macheke/Rusape, 23 February 1978.

¹³² Ibid., 19 May 1978.

¹³³ Abandoned farms gave nationalist fighters freedom of movement in the expanding ‘liberated zones’. See Selby, ‘Commercial Farmers and the State,’ 81. For a comprehensive list of farmers killed during the war see Pilosoff, *The Unbearable Whiteness*, Appendix 5, 220-27.

¹³⁴ NAZ, Location C12.12.11F, Box 239715, G13, Problems in Farming Areas, March 1975-Feb 1978, Letter from J. H. H. Louwrens, Director, Conex to the Secretary for Agriculture.

¹³⁵ Ibid.

¹³⁶ Ibid.

labour.¹³⁷ The Urutumbu case was not an isolated one. It represented the general situation on Rhodesian tobacco farms during this period.

Apart from the murder of white farmers and their farm workers, general intimidation and harassment of the labour force, freedom fighters – through acts of arson – also targeted essential equipment and infrastructure without which farming was impossible. Topping the list of targets were such infrastructure, inputs and equipment as tractors, grading sheds, bulks, fuel, fertilisers, tobacco barns and the tobacco crop itself (both in the field and the harvested one). For instance, at Quagga Kloof Farm tobacco which was in the field was slashed, cattle stolen and those that remained were maimed.¹³⁸ As part of the process of harassing and intimidating labour, compounds were also a key target of acts of arson. At Mangwende and Timorin Farms, compounds were razed down by fire, in addition to the partial burning of sheds and bulks. In some cases the entire tobacco and ancillary infrastructure were burnt down, leaving farmers with nowhere to start from. Nyakurwi, Exeter and Koodoo Range Farms were cases in point in this respect. Compounds, bulks, all tobacco and the farm houses/homesteads were razed down, leaving completely nothing.¹³⁹ At Chigati Farm, after labourers were severely beaten as mentioned earlier, five tobacco bulks, three tobacco barns and grading sheds were also razed down by fire.¹⁴⁰ The incidences were numerous. In the circumstances, farming was not only rendered a high risk activity, but also in many cases, an impossible venture.

While the situation sketched above was bad enough for tobacco growers, the intensification of the war brought another dimension of the burden of war on farmers – military call-ups. This often removed farmers from their farms at critical stages of their farming businesses, thereby depriving the farms of experienced supervision, management and guidance with obvious effects on the quality of their crops.¹⁴¹ Young growers were particularly hit harder, prompting the Minister of Agriculture to approach his Defence counterpart with a view to relaxing the conditions of call-up. There was genuine fear that the not yet well established younger farmer's military call-up inspired prolonged absences could mean financial losses

¹³⁷ NAZ, Location C12.12.11F, Box 239715, G13, Problems in Farming Areas, March 1975-Feb 1978, Rhodesia Tobacco Association: Summary of Action taken to assist Tobacco Growers in Sensitive Areas, District13: Mrewa/Mtoko, Urutumbu Farm, 22 January 1978.

¹³⁸ Ibid., District 10: Inyazura/Odzi, Quagga Kloof Farm, 30 December 1977.

¹³⁹ Ibid., District 4: Headlands/Macheke/Rusape, Mangwende and Timorin Farms, 29 March 1978; *ibid.*, District 9: Bromley/Marandellas/Wedza, Nyakurwi Farm, 10 January 1978; *ibid.*, District 4: Headlands/Macheke/Rusape, Exeter and Koodoo Range Farms, 15 April 1978.

¹⁴⁰ Ibid., District 10: Inyazura/Odzi, Chigati Farm, 30 March 1978.

¹⁴¹ *TMB Annual Report for the year 1977.*

which could lead him to give up farming.¹⁴² Yet, the 1978 RTA Congress called upon Council to ensure that priority be given to assisting in the establishment and maintenance of sufficient growers on the land to ensure the future of the tobacco industry. This was especially so because the resolution urged Government to encourage and assist young growers to occupy vacant farms and to make available to them sufficient finance to commence operations immediately and thus avert a decline in the overall national production.¹⁴³

Both the government and growers' leadership were very much aware of the challenges facing farmers. Bearing in mind the importance of keeping farmers productive on the land, Government took a number of measures to mitigate the problem. On the contentious issue of military call-ups, Combined Operations Minister, Roger Hawkins, relaxed call-up arrangements for farmers. In terms of the new policy, farmers in the 'operationally sensitive' areas were excused from national call-ups. Actually, in order to maintain maximum flexibility in their farming operations, they were not be called out of their own areas, unless they were required to assist in a neighbouring area. In addition, those in the Territorial Army and the Air Force reserve were given the option to transfer to the Police Reserve in their own areas. It was considered necessary to retain them as a first line of defence, and to give them the opportunity to stay on their land and continue their farming. Exempted from specific periods of national call-ups laid down for Police Reservists in other parts of Rhodesia, and to balance security and production needs, they were resorted to on an 'as-and-when' necessary basis, as decided by the local member-in-charge.¹⁴⁴ This decision was taken in view of the important part played by farmers in continuing the occupation of their farms from the point of view of national security on one hand, and the significant contribution their production made to the overall economy, on the other.¹⁴⁵ Other measures included the relaxation of regulations by the Minister of Justice, Law and Order, Hilary Squires, to enable farmers who wished to employ 'vigilantes' to guard their stock to obtain the necessary weapons.¹⁴⁶ However, as has been shown earlier, this did not adequately deal with security concerns as cases of farmers who got ambushed and killed on their farms continued to increase.

On the related issue of labour intimidation, the RTA and Government came up with measures to mitigate the problem. For instance, the RTA offered assistance in numerous ways

¹⁴² *Rhodesia Herald*, 5 February 1977.

¹⁴³ *The Rhodesian Tobacco Today*, July 1978, 10.

¹⁴⁴ *Ibid.*

¹⁴⁵ *Rhodesia Herald*, 5 May 1977.

¹⁴⁶ *Ibid.*, 28 July 1977.

to tobacco growers whose farming operations were in jeopardy. Assistance came in the form of the recruitment of alternative labour in cases of intimidation. Arrangements were also made to store tobacco off the farm at minimal storage rates.¹⁴⁷ In sensitive areas such as Mayo, Mtoko, Chineka, Inyazura, Odzi/Umtali North, Headlands, Wedza and Umfurudzi/Poorti Valley, where farmers felt the brunt of the war, the RTA heavily intervened. Through its General Executive, David Wotherspoon, the RTA recruited nearly 400 labourers for farms which lost their labour force to intimidation. In addition, delivery quotas were also changed to suit growers in these areas, various grading firms cooperated with growers who lost labour or who were threatened with arson, storage at cost was availed at Bak Storage and Tobacco Sales, special finance terms were also extended for the purchase of mine and ambush-protected vehicles by growers.¹⁴⁸ Where the grower considered his harvested crop to be at risk, Combined Operations assisted with the minimum of delay to move it off the farm. Alternatively, Combined Operations provided guards in cases where five or six farmers centralised their tobacco storage as an alternative to sending it to a main centre.¹⁴⁹

In view of the human resources limits to protect all tobacco farmers, Officer Commanding Joint Operations Command Hurricane, Brigadier Campling, advised growers to train their own farm militia with the assistance of Police Reserves.¹⁵⁰ It was in this context that Reg Dawson of the Headlands area – with the assistance of Chief Inspector Grey, the Member-in-charge for Macheke – recruited three ex-members of the ex-British South Africa Police (BSAP) to form his own guard forces.¹⁵¹ Other initiatives included calls for Government to assist in the establishment of emergency resettlement schemes in areas where farms were abandoned.¹⁵² The Victims of Terrorism Fund which compensated those who incurred losses as a result of ‘terrorist’ activities was also set up. However, payments were often delayed, causing anxiety and suffering among tobacco growers. It is against this background that the 1978 RTA Congress stressed ‘to Government the vital importance of prompt and adequate compensation to growers who lost their crops and buildings to ‘terrorist’ action.’¹⁵³

¹⁴⁷ NAZ, Location C12.12.11F, Box 239715, G13, Problems in Farming Areas, March 1975-Feb 1978, G. A. Dorward letter to all Growers, 4 May 1978.

¹⁴⁸ *Rhodesian Tobacco Today*, May 1978, 7.

¹⁴⁹ NAZ, Location C12.12.11F, Box 239715, G13, Problems in Farming Areas, March 1975-Feb 1978, G. A. Dorward Letter to all Growers, 4 May 1978.

¹⁵⁰ *Ibid.*, Notes of a Meeting held in the Combined Operations Head Office, JOC Hurricane, Cranborne, Salisbury, 1 May 1978.

¹⁵¹ *Ibid.*, Problems in Farming Areas, March 1975-Feb 1978, J.E Mackay letter to RTA CEO, Problem Areas, 28 June 1978.

¹⁵² *Ibid.*, March 1975-Dec 1978, Notes of a Meeting held at AFC head office, 20 July 1978.

¹⁵³ *Rhodesian Tobacco Today*, July 1978, 10.

It is apparent from the discussion so far that Rhodesian agriculture in general was under siege during the late 1970s. Whilst Government and the RTA leadership did all they could to mitigate the challenges facing farmers, it appeared that their interventions were inadequate to stem the problem. This was not lost to the RTA leadership. Writing in the *Rhodesia Tobacco Today* policy platform – RTA Talking Column – the President, Bulloch had the following to say:

I very much appreciate the effort that has been made by Government... to try to give Rural communities some of the things needed to defend themselves and their labour from the effects of terrorism ... but it still remains only as a help and does not solve the cause or get to the root of the problems our country faces. These are political and not for us to make the final decisions at tobacco industry level. However, on behalf of all growers, and following RTA council's decisions, I do reserve the right to speak at a National Political level, if we are not convinced that actions taken are in our industry's interests. Council, at our last meeting was not convinced at all that the present path is leading in the right direction. To have a successful industry that can expand we need peace and only following peace can we offer greatly expanded employment and better wages and conditions to our labour forces.¹⁵⁴

The question that confronted organised agriculture was whether to leave these political questions in the hands of politicians and watch the demise of their industry, or take action to secure their interests, even in the event of majority rule, which in any case was clearly inevitable. The next section grapples with the strategies that tobacco growers and their leadership deployed to secure their future in the event of the now inevitable majority rule.

‘We must adapt to survive’: Agriculture’s ‘New Deal’ and the Politics of Compromise

The preceding section has painted a picture of an industry under siege. While both the state and organised tobacco interests adopted mitigation measures, they clearly were too little, too late. As the 1970s drew to a close, it became obvious to organised agriculture – both within the Rhodesia National Farmers Union (RNFU) and the RTA – that majority rule was now inevitable. Confronted with such an eventuality, they devised strategies to secure their interests beyond the collapse of minority rule. It is these strategies that this section focuses on. The strategies were premised on a number of considerations: awareness of the interconnectedness of politics and economics; the preparedness of white farmers to compromise; softening of racial prejudices; and justification for the RTA to dabble into politics.

As early as 1974, organised agriculture had started demonstrating consciousness of the inseparability of politics and economics. Addressing the RTA’s 1974 Annual Congress, the

¹⁵⁴ *Rhodesia Tobacco Today*, September 1978, 5.

association's President, Vec Hurley conceded that on 'a purely economic basis, the future of the Rhodesian tobacco industry was bright, but economics could not be divorced from politics.'¹⁵⁵ Consequently, he called for a political settlement which he said would bring expansion and affluence to the industry.¹⁵⁶ Inversely, failure to settle political disputes spelt doom to the economic prospects of the industry. For him, there was no doubt that the future of the tobacco industry was as dependent on political events as it was on economic considerations.¹⁵⁷ Against this background, and departing from apoliticism, he cautioned farmers against isolating themselves from the political future of Rhodesia. Calling for adaptability in growers' political thinking, he argued that growers had a duty not only to 'participate' in politics, but also 'even to lead' so as 'to ensure that the future is one of political and therefore economic stability.'¹⁵⁸ Evidently, farmers' political manoeuvres and strategic positioning started much earlier than is generally believed to have been the case.

Hurley's successor, George Pio's address at the 1975 RTA Congress was also quite revealing. He reiterated that the future of the local tobacco industry was closely tied to the political future of the colony.¹⁵⁹ Whilst admitting that the RTA was not a political organisation, he justified its intervention in politics on the basis that it represented growers whose lives were intimately affected by the action or non-action of politicians.¹⁶⁰ To sum up, he opined:

Rhodesia requires a solution which would defuse the present strained position, do away with domination of one over the other, give a defensible moral base to our society and provide a secure future to all Rhodesians, without continued strife.¹⁶¹

For Pio this was only achievable 'if people [black and white] would only be prepared to sit and talk to each other' suggesting that a 'pleasant Rhodesian hotel at Inyanga, Kariba or the Falls would do.'¹⁶² This was clear evidence of organised agriculture's preparedness to engage Africans on an equal basis. He denied that white farmers were conservative and unbending. Instead, according to him 'the Rhodesian farmer is more flexible, more pragmatic, more prepared to accept needed change than he is given credit for.'¹⁶³ Of course he put a condition for this: that was 'provided his long term future is permanently secured,' otherwise 'he [would]

¹⁵⁵ *Rhodesia Herald*, 6 July 1974.

¹⁵⁶ *Ibid.*

¹⁵⁷ *Ibid.*

¹⁵⁸ *Ibid.* For a more detailed exposition of white farmer 'apoliticism' see Pilosoff, *The Unbearable Whiteness*.

¹⁵⁹ *The Rhodesian Tobacco Journal*, July 1975, 12.

¹⁶⁰ *Ibid.*

¹⁶¹ *Ibid.*, 13.

¹⁶² *Ibid.*

¹⁶³ *Ibid.*

be unbending and [would] defend what [was] his by right, and by usage, even more vigorously than he [had] been doing so up to now.’¹⁶⁴

Utterances by both Hurley and Pio demonstrate marked shift in how organised agriculture sought to relate with Africans. It was no longer the dismissive attitude of earlier years. The call for a shift in farmers’ ideological orientation was amplified as the 1970s decade drew to a close. For instance, whilst presenting what he termed a ‘new deal for agriculture’ Chairman of the Rhodesian Promotion Council, C. C. Tracey made a call for ‘race unity to map out the future for the agricultural industry regardless of the wrangling of politicians.’¹⁶⁵ This, he argued, should be premised on farmers’ acceptance of ‘the inevitability of change.’¹⁶⁶ RTA President, Gyles Dorward, added his voice by declaring openly that it was his ‘fundamental belief that [Rhodesia would] be ruled by a black majority government’ in the not too distant future.¹⁶⁷ Dr. Ian Hume was even blunter. Hume was the head of Whitsun Foundation, an organisation generally viewed as ultra-liberal and opposed to white supremacism.¹⁶⁸ In his address to the 1977 RTA congress, he bluntly warned fellow growers to ‘adapt to survive, even if it means swallowing some of [their] prejudices.’¹⁶⁹ The choice of Hume as guest speaker at that congress was in itself revealing of the softening of racial prejudices within the industry. It is not surprising that he was candid in his speech. For instance, he highlighted that it could no longer be doubted that ‘an incoming majority rule government will embark on a significant measure of social and economic restructuring.’¹⁷⁰ His advice was as follows:

But I suggest that such restructuring will be helped, not hindered, if the economy remains stable in the transition period... in our recent history we have tried to build barriers to change. Now that change is upon us we should not assume that all is lost. We should convert our institutions to build real barriers, not against change, but against chaos. I believe if we move quickly enough and sensibly enough we can do just that.¹⁷¹

For Hume there was scope in colonial Zimbabwe for reconciling the land demands of Africans with the production demands of the economy, in terms of what he termed, a ‘combination of the best of socialism with the best of capitalism.’¹⁷² The only caveat according to him was that

¹⁶⁴ *Ibid.*

¹⁶⁵ *Rhodesia Herald*, 19 May 1977.

¹⁶⁶ *Ibid.*

¹⁶⁷ *The Rhodesian Tobacco Journal*, June 1977, 5.

¹⁶⁸ *Ibid.*, 4.

¹⁶⁹ *Ibid.*

¹⁷⁰ *Ibid.*

¹⁷¹ *Ibid.*, June 1975, 4-5.

¹⁷² *Rhodesia Herald*, 31 May 1977.

this was subject to the implementation of ‘a full programme of land and agrarian reform... in a systematic and controlled fashion.’¹⁷³

From the foregoing it is quite clear that tobacco industry players were well aware of the impending majority rule and the need to adapt their political thinking accordingly in order to protect their interests. The same view prevailed within the broader white agricultural sector under the RNFU umbrella. The RNFU Vice President, John Strong, confirmed this when he expressed his delight at ‘the sensible and realistic attitude of people to the future’ by ‘taking a positive line and accepting the inevitability of change.’¹⁷⁴ He advised that it was in the best interests of white farmers to ‘plan and prepare [themselves] in advance.’¹⁷⁵ Two alternatives existed according to Tracey: either taking the view that the tide of events was of such magnitude they may stand aside and let them take their course, for better or for worse, or being actively involved, positively consulting and planning to take advantage of the ground swell of change to help influence those changes for the future for the best.¹⁷⁶

It was the second alternative that white farmers opted for: they prepared and planned for majority rule. Central to their approach was an attempt to erase history and start on a clean slate. Tracey epitomised this thinking by declaring that ‘the past must look after the past. It is our responsibility to help mould the future.’¹⁷⁷ This, however, was deliberately and dishonestly ignoring the role of that past in entrenching a systemic and systematic exclusion of Africans from meaningful economic activity. Ironically, African interests were placed at the centre of white agriculture discourse on post-colonial survival. Protecting white agriculture was projected as more in the interest of Africans than the white farmer. The messianic connotations in such arguments were unmistakable. The convenient refrain was that white agriculture had to be retained in its present state to save Africans from hunger and unemployment, and generally from economic collapse and chaos.

White agriculture adopted a multi-pronged approach in its survival offensive. One of the strategies was to redefine white farmers’ identity. To this end, emphasis was placed on their being African more than their cherished ‘Britishness’ of earlier years.¹⁷⁸ It was within this

¹⁷³ *The Rhodesian Tobacco Journal*, June 1975, 4-5.

¹⁷⁴ *Ibid.*

¹⁷⁵ *Ibid.*

¹⁷⁶ *Ibid.*, June 1977, 7.

¹⁷⁷ *Ibid.*, 8. This ahistorical approach was later to prove problematic in post-colonial Zimbabwe as solutions reached on its basis later proved to be inadequate to address deep-seated historical imbalances in the racial distribution of farming land.

¹⁷⁸ This issue is currently a subject of doctoral study by George Bishi.

context that, in his address to the congress of his association, Dorward identified himself 'as an African of three generations.'¹⁷⁹ The same position had been made earlier in an editorial comment of *The Rhodesian Tobacco Journal* in the following terms:

World you have constantly misjudged us, misreading too little or too much into our motivation. You have described us as "settlers" when many of us are in truth third-generation Africans.¹⁸⁰

By identifying themselves as rooted Africans, white farmers were making their desire to stay known. This must have been meant to legitimate their claims to land as a basis to entrench security of tenure in post-colonial Zimbabwe. This emphasis on whites' African identity could have informed their second strategy: compromise and accommodation, which to all intents and purposes was deployed to ensure white farmer security of land tenure even in the event of majority rule.

In the 1950s, the prospect of black participation in the lucrative flue-cured tobacco industry was unpalatable to white farmers.¹⁸¹ All sorts of excuses were used to exclude Africans from growing this type of tobacco. For instance, the RTA argued that 'the native was completely ignorant of the methods of tobacco production, which was a complex affair depending on intuition as to the correct procedure at certain times as on set rules.'¹⁸² They went on to say that in addition to the inability to learn the many problems of production, it was doubted if African had the aptitude of concentration required, the necessary capital or desire to equip himself with adequate barn accommodation, or the necessary sense of discipline to abide by the many rules and directions laid down for the grower.¹⁸³ This attitude changed markedly during the late 1970s. For instance, the RTA spent RH \$377,000 on a training farm, mainly for Africans.¹⁸⁴ It also funded a non-racial intensive one-year Tobacco Culture Diploma course.¹⁸⁵ The RNFU organised a multi-racial seminar on the future of agriculture where black agricultural leaders attended and presented papers.¹⁸⁶ This was in addition to calls for compromise and accommodation by sections of the white community. Hume, for example, unequivocally called upon the white tobacco grower 'to accept an increased sharing of the benefits of his skills, capital and land with his African workers and neighbours.'¹⁸⁷ Dorward

¹⁷⁹ *Rhodesia Tobacco Today*, June 1978, 14.

¹⁸⁰ *Ibid.*, October 1976, 3.

¹⁸¹ See NAZ, File RH 27/3/3, RTA Internal Memorandum, 1950.

¹⁸² *Ibid.*

¹⁸³ *Ibid.*

¹⁸⁴ See *The Rhodesian Tobacco Journal*, July 1975, 11-12.

¹⁸⁵ *Tobacco Today*, August 1977, 9.

¹⁸⁶ *The Rhodesian Tobacco Journal*, 1977, 7.

¹⁸⁷ *Rhodesia Herald*, 21 May 1977.

endorsed this by suggesting that the sooner African tobacco growers of consequence emerged, the sooner the barriers of envy and suspicion would be removed.¹⁸⁸

The third noticeable trend in white farmer narratives during this period was the emphasis placed on the importance of white commercial agriculture in the present and future economy of the country. But, because commercial agriculture in general, and flue-cured tobacco farming in particular, was almost entirely dominated by white farmers, there was a deliberate conflation of white interests and the interests of commercial agriculture. Very compelling arguments were advanced to this end, backed by convincing blueprints. With respect to tobacco, those aspiring for political office were reminded that:

The economic history of Rhodesia clearly shows how tobacco played a dominant role in the economic development of the country in terms of providing the incentives, capital and expertise which in turn was basically responsible for agricultural and infrastructural development within the country. Tobacco has done for Rhodesia in a sense what gold has done for SA or copper for Zambia.¹⁸⁹

In addition, tobacco farmers were described as ‘the first line of economic offence tomorrow.’¹⁹⁰ In a statement that could easily pass for blackmail, those aspiring for leadership of post-colonial Zimbabwe were also warned that ‘unless there is a tobacco industry there [was] no tomorrow.’¹⁹¹ Because a nucleus of expertise remained in the industry which if given free trade conditions and development capital could double current output in about three years, it was argued, the tobacco industry could ‘do more for the country in the shortest period of time-with least expense than any other industry.’¹⁹² Other advantages were highlighted: the tobacco industry employed more people than all other sectors of the economy; earned more forex than any single export; had a 1:13 scarce foreign currency inputs to earnings conversion ratio; had spending power of RH \$100 million annually making it an important customer for industry and commerce; and had a high value-to-weight ratio which made it an efficient export commodity.¹⁹³

These views were consolidated into a blueprint for commercial development under black government dubbed ‘Stability through Agriculture’. The blueprint further argued that the destruction of commercial farming would cause mass unemployment, catastrophic food

¹⁸⁸ *Rhodesia Herald*, 22 June 1977.

¹⁸⁹ *The Rhodesian Tobacco Journal*, January 1977, 6.

¹⁹⁰ *Ibid.*, July 1977, 5.

¹⁹¹ *Ibid.*

¹⁹² *The Rhodesian Tobacco Journal*, January 1977, 6.

¹⁹³ *Ibid.*; *Tobacco Today*, June 1976, 23; and *ibid.*, 11.

shortages, loss of foreign currency earnings and would lead to a loss of confidence of the people as a whole. 'If agriculture, with its highly sophisticated and efficient infrastructure, was destroyed or allowed to decay,' the blueprint warned, 'then the country will collapse, an economic void will be created and maintenance of law and order will become impossible.'¹⁹⁴ Playing on the political ambitions of aspiring African leaders, a warning was given that 'no government [could] long stay in power on the shoulders of a hungry people.'¹⁹⁵ The self-serving argument was that post-colonial political stability could only be achieved when the population was not hungry, and that hunger could only be averted by keeping white farmers on the land. In a separate incident, the RTA President even tried to appeal to moral sensibilities in defence of white agriculture. He argued, 'that we lose skilled growers at our peril and to the detriment of young and yet unborn Africans.'¹⁹⁶

Yet another blueprint, the 'New Farm Deal' was crafted. Like its predecessor, its major tenets were meant 'to persuade black politicians that the agricultural industry was a pillar of the economy which must not be tempered with after majority rule.'¹⁹⁷ In pursuing this, both the RNFU and the Rhodesian Promotion Council met with key politicians whom they hammered with facts about the importance of commercial farming to the country's economy. For instance, the blueprint highlighted that of the country's population of 6.8 million, almost 5 million people depended on agriculture for their livelihood. (Population was projected to increase to 16 million in the next 22 years with 235,000 new Rhodesians being born every year). It was also submitted that 38 percent of total African wage force was employed in agriculture, while agricultural primary and secondary products earned on average nearly half the country's foreign currency. In view of the above, the paper argued, any 'theoretical socialist land apportionment policies' would be disastrous.¹⁹⁸

Closely connected to the economic arguments against disrupting the status quo in commercial agriculture in general was the appropriation of the populist language of 'the people.' White farmers appropriated the 'interests' of the people argument to secure their interests beyond the demise of the racist minority rule of Ian Smith. In all their presentations, African people's interests were placed at the centre. If it was not about the interests of the ordinary African who would lose employment, it was about the interests of the incoming

¹⁹⁴ *Rhodesia Herald*, 2 February 1979.

¹⁹⁵ These were the words of RNFU President, Denis Norman. See *The Rhodesian Financial Gazette*, 2 February 1979.

¹⁹⁶ *Rhodesia Tobacco Today*, June 1978, 14.

¹⁹⁷ *The Rhodesian Financial Gazette*, 23 February 1979.

¹⁹⁸ *Ibid.*

majority rule leaders whose political security was said to be premised on the stability of commercial agriculture. Rarely was it about the interests of white farmers. For instance, during the 1978 Congress the RTA President had some advice 'to all those who would aspire to leadership position of Zimbabwe':

If your task is to increase employment, stimulate tobacco growing; if your young nation needs foreign exchange earnings, tobacco exports will satisfy; if you have to develop infrastructure and small industries in rural areas, finance tobacco lines on the lines of tenant farming schemes and individual family units; if you want your country to count in Africa and the world, these measures will enable you to don the mantle of the "world's most important producer of quality tobacco." And if you want to overcome these problems tomorrow, keep your tobacco men today by resolving your political differences now. Right now!¹⁹⁹

Earlier on Pio had in 1975 argued that if at the end of the war, the economy were ruined, the white Rhodesian tobacco farmer would be welcomed with open arms in some other producing countries. The major question according to him was what would happen to the 600,000 people who are directly or indirectly dependent on tobacco?²⁰⁰ According to this logic, white farmers could easily adjust by relocating to other producing countries. The problem was with the African whose options were limited. In that context, Pio projected saving tobacco farming from collapse as being essentially in the interests of 'the people.'

From the foregoing it is unsurprising that tobacco leaders referred to the industry as 'the people's industry.'²⁰¹ The gist of the argument was that tempering with the people's industry would result in the suffering of the people. In their 'New Deal' blueprint, white agriculture leaders warned that if commercial agriculture was tempered with 'those who will then suffer the most will be the vast majority of the country's millions of black people.'²⁰² Dennis Norman, the RFNU President reiterated this point. Describing any policy that allowed the collapse of the farming sector as a 'criminal and tragic policy', he charged that 'the onus for such an eventuality and its effects on the lives of millions of black people ... would forever lie on the heads of politicians responsible.'²⁰³ A regional dimension was added by highlighting that the country contributed substantially to the food deficits of neighbouring countries, particularly Mozambique, Angola, Zaire and Malawi. The portrayal of white farmers as

¹⁹⁹ *Rhodesia Tobacco Today*, June 1978, 11.

²⁰⁰ *The Rhodesian Tobacco Journal*, July 1975, 12.

²⁰¹ Among other officials Dr. S. P. Kelly, RTA Chief Executive Officer, used this term in describing the industry. See *The Rhodesia Financial Gazette*, 23 September 1977.

²⁰² *Rhodesia Herald*, 2 February 1979.

²⁰³ *The Rhodesia Financial Gazette*, 2 February 1979.

saviours for the country was not restricted to private agriculture lobby. The outgoing deputy prime minister, David Smith, told the annual meeting of the Fertiliser Society in SA, Cape Town that, if white farmers in Rhodesia 'lose confidence in the future and leave their farms, there is no doubt that the industry will collapse and [colonial Zimbabwe] will become an importer of food and will have to pick up its begging bowl and join the clamour for international handouts.'²⁰⁴

The fourth dimension of the diplomatic and political offensive to secure the interests of white agriculture in the event of majority rule was premised on appeals to rule of law, specifically to the need for the maintenance of law and order. At the centre of this was the protection of private property, which was basically land. Dennis Norman argued that 'in any country or society every decent citizen expect [ed] the rights of protection of his home, life and property,' adding that as farmers, they expected that:

in any changing scene, law and order will be enforced and the common human decencies will be maintained. Without these assurances many people would look elsewhere for a stable, secure way of life.²⁰⁵

Norman took the fight to London where he met top British politicians and officials.²⁰⁶ His message to them was that:

it was vital to ensure that Rhodesia's 6,000 white farmers, who provided more than half the country's foreign exchange, did not abandon their farms because of the insecurity and uncertainty' currently prevailing.²⁰⁷

He indicated that he was not concerned with the political question of who would be in power, but that farmers needed some indication of hope for a settled future. He added that they urgently needed confidence to stay.²⁰⁸ This was the stance he took to the Lancaster House constitutional conference. Through the white agriculture lobby, all the discriminatory pieces of land legislation: the Land Apportionment Act; the Land Husbandry Act; and the Land Tenure Act were consolidated and found expression in just one constitutional clause – section 16 – in the transitional constitution's Bill of Rights. It entrenched the protection of private property from arbitrary appropriation. With it, white agriculture won the long-term security it yearned for, at

²⁰⁴ *Rhodesia Herald*, 31 March 1979. The country's name changed to Zimbabwe-Rhodesia in 1979 following an internal arrangement between the Smith regime and some moderate African leaders. The new regime was led by Bishop Abel Muzorewa as Prime Minister in an arrangement that was largely dismissed as cosmetic, and which neither received international recognition nor end the war.

²⁰⁵ *The Rhodesian Tobacco Journal*, June 1977, 19.

²⁰⁶ See *The Herald Bureau* (London), 16 March 1979. It is noteworthy that among the officials met by Dennis Norman was Lord Carrington, who was later to play a key role at the Lancaster House Constitutional Talks later in the same year.

²⁰⁷ *Ibid.*

²⁰⁸ *Ibid.*

least from a legal standpoint, but whether ‘the people’ in whose name the lobbying was undertaken stood to benefit from this is a story that scholars of post-colonial Zimbabwe continue to grapple with and continues to be a controversial issue that haunts Zimbabwe to date.²⁰⁹

Conclusion

Starting in 1973, a year that the tobacco industry faced probably its toughest phase in its history, this chapter focused on the challenges the industry faced until 1979 when minority rule came to an end. The first section looked at the global tobacco trade environment in the context of the general oil crisis-induced world recession on one hand, and the intensifying war of liberation waged by Africans, on the other. While the general world shortage of tobacco in 1973-74 should have benefitted colonial Zimbabwe’s tobacco industry, this was limited by the effects of sanctions in a recession-ravaged world in the context of an escalating war of independence. Against this background, the second section looked at how the local industry performed during the period under review. The next section of the chapter focused on the impact of the war in more detail which linked it to the last section which traced how the impact of the war changed the political outlook of white farmers as they negotiated survival beyond the inevitable collapse of white minority rule. By so doing the chapter sheds light on the evolution and nature of black-white relations, which became key in the formulation of agricultural policy in post-colonial Zimbabwe. It is interesting to note how the language and excuses used then, continue to be deployed in contemporary debates on compulsory acquisition of land from white commercial farmers for redistribution to landless peasants. Events of this period resonated with the major argument of this thesis that colonial Zimbabwe’s tobacco industry was a very complex venture which was influenced and shaped by local developments as it was by regional and global dynamics.

²⁰⁹ See for instance, S. Moyo and P. Yeros, *Reclaiming the Land: The Resurgence of Rural Movements in Africa, Asia and Latin America* (Harare: Zed Books, 2005); I. Mandaza, (ed.) *Zimbabwe: The Political Economy of Transition 1980-1986* (Harare: CODESRIA, 1986); J. Hanslon, J. Manjengwa and T. Smart, *Zimbabwe Takes back its Land* (Virginia: BY Kumarian Press, 2012).

CONCLUSION

GOVERNMENT, GROWERS AND THE GLOBAL CONTEXT

This thesis set out to examine the shifting interplay of global, regional and local factors in the development of colonial Zimbabwe's tobacco industry as well as the power relations they spawned. The fortunes of colonial Zimbabwe's tobacco growers, the thesis has argued, were largely influenced by the global context in which they operated. The supportive role of the state and the 'hard work and astuteness' of individual farmers often emphasised in the literature only make sense in the context of an enabling global tobacco trade environment. By closely examining the interaction of global, regional and local factors in the development of tobacco growing in colonial Zimbabwe in specific historical contexts, this thesis has cast light on the extent to which local tobacco growers were integrated into global tobacco markets. The interconnectedness of the global with the local meant that global market shifts were followed by adjustments and readjustments locally. This, however, is not to suggest that the adjustments were uncontested. On the contrary, the history of tobacco growing in colonial Zimbabwe is a story of multi-layered contestations and convergences which either propelled or undermined local growers' efforts – the global versus the local, and within the local, growers versus the state, going down to intra-grower friction and skirmishes. The fluid global economic and political environment which characterised the period of study provided a perfect window onto the contestations and convergences that shaped the local tobacco industry over time. On the basis of insights gained, this thesis makes the case for an approach that transcends the conventional explanations of the role of the state, and the exploitation of Africans on one hand, and the efficiency of white farmers, on the other, in explaining the fortunes of colonial Zimbabwe's tobacco growers.

The important role played by the state in the development of settler capitalist agriculture in general, and the tobacco industry in particular, especially in the period to the end of the Second World War, is well documented. Equally established is the narrative of white farmer sacrifices, resourcefulness, commitment, organisational capacity and general astuteness. But, while acknowledging the part played by these factors, this thesis has argued that the story of colonial Zimbabwe's tobacco industry, especially in the post-war era, is too complex to entirely fit in either of these conventional templates.

In justifying the study the introduction to this thesis pointed to a general acknowledgement in the literature of the importance of the tobacco sector in the development of the colony's post-Second World War economy. Yet, as the literature review section

revealed, with the exception of a few truncated studies and commissioned projects, existing accounts do not adequately explain developments in such a vital economic endeavor during this period, leaving a yawning historiographical gap. The few academic studies on this area end before or just after the end of the Second World War. (See the literature review section on pages 6-8, particularly the last paragraph on page 8). Yet, it was after the Second World War that the growing of tobacco occupied a pride of places in the colony's economy, with the crop dislodging gold as the key foreign currency earner in 1946. Even where scholars have attempted to focus on the tobacco industry, the frameworks of analysis they adopt, that is, the overemphasis on the role of the state on one hand, and the ingenuity of the growers, on the other, both emphasize the narrow internal dynamics shaping the development of the colony's tobacco industry, which limited their scopes.

Against this background, this thesis is significant in two important respects. First, by examining a key economic activity that is either entirely missing or glossed over in existing studies, it is an addition to the post-war agrarian historiography of colonial Zimbabwe. This is particularly significant in view of the fact that the tobacco sector anchored the colony's agrobased economy. The historiographical reflections section on pages 7-9 has shown that debates on the development of settler agriculture in general, and the tobacco sector in particular, made significant progression over time. Framed within the context of 'pioneering', literature of the 1950s and 1960s portrayed white settlers' encounters with what is often projected as 'pristine' and vacant lands. The 1970s and 1980s saw scholars reinserting the indigenous peoples in settler colonialism discourses, examining encounters between the settlers and the indigenous people. But, what has been little accounted for are the interactions between settler colonial and metropolitan interests, which would have brought the global dimension to regional and local economic developments. Where attempts have been made to pursue these, this has largely been done from the point of view of the metropole. It is partly to this gap that this thesis has made its contribution. It brings the settler-metropolitan dimension to the settler colonial experience, and it does so from the point of view of a unique colony in the form of colonial Zimbabwe. At the same time, by adopting a global framework of analysis the study has attempted to transcend the parochialism of much of the existing literature, which has placed disproportionate emphasis on narrow internal processes in the development of tobacco growing as a key economic activity in colonial Zimbabwe. Analysing the global framework within which the industry operated, and how the global spoke to the local and vice versa has enabled the study to provide a more

comprehensive account of developments within the colony's tobacco industry than is currently documented.

Second, analysing the period 1947 to 1979 provided a window onto which to trace continuities and discontinuities in the development of the colony's tobacco industry over time. By avoiding the temptation to begin or end in 1965 with UDI and sanctions, as Hooper, Dunlop and Armstrong, among others, have done, this thesis becomes one of the few studies that have examined the circumstances under which the colony's tobacco industry evolved and the extent of its integration into British tobacco markets in the immediate post-war era until 1979. This is important in two respects: first, it helps to illuminate the magnitude of the vulnerability of the local industry to fluctuations in the British markets, in itself crucial in understanding the impact of British trade embargoes in the 1960s and 1970s. The relative success of sanctions-busting after UDI is understood better if developments in the late 1950s are factored in. For instance, as discussed on pages 84-7 of Chapter Three, the shrinkage of the British market due to liberalisation spurred TEPCOR to double its efforts in search for alternative markets. The diverse and scattered markets which emerged as a result of these initiatives later helped in the evasion of UDI sanctions. Second, by focusing on a longer period, the thesis successfully challenges the dominant narrative that simplistically and conveniently explains the misfortunes of the local tobacco industry almost entirely on the basis of UDI inspired constraints. In Chapter Three, especially on pages 99-105, this thesis has shown that production and marketing challenges pre-dated UDI.

Apart from ventilating local dynamics in the development of colonial Zimbabwe's tobacco industry, taking a global focus inserted this thesis into broader post-Second World War historiographies. For instance, it has provided an alternative way of looking at post-war British imperial economic policy from two hitherto neglected standpoints, that is, from the point of view of the colony; and from a dollar-saving commodity as opposed to the conventional dollar-earning ones. Because of this, the study raises questions on two related tendencies in historiography: the tendency to approach post-war British imperial economic relations from the viewpoint of a metropole that imposed its will on its colonial possessions and the conventional view that post-war imperial economic policy necessarily entailed an escalation of the exploitation of colonial resources to salvage Britain's war-ravaged economy. While Britain's official position might have been that the ultimate solution of the difficulty the sterling was then facing was to be found in its colonies, the experiences of colonial Zimbabwe captured in this thesis do not neatly fit into the metropolitan template. Instead, the thesis has suggested

new ways of reconsidering post-war imperial-settler colonial relations in a manner that disrupts conventional 'second colonial occupation' wisdom.

This thesis' reached its overall conclusion that the fortunes of the colony's tobacco industry were intricately linked to the global context under which it operated through a close analysis of the correlation between shifts in global contexts and changes in the fortunes of the industry. Covered in the thesis' four substantive chapters, the identified distinct global contexts are as follows: the late 1940s to early 1950s post-war tobacco boom as a result of a critical dollar crisis in Britain, and the gradual tightening of the global tobacco trade in the mid-1950s leading to the 1956 market crisis discussed in Chapter One; the complexities of a 'retreating empire' and liberalisation discussed in Chapter Two; and decolonisation, UDI, sanctions and war, dealt with in Chapters Three and Four.

This thesis marks a divergence from narratives that relegate colonies to passive recipients of imperial policies as well as projecting them as victims of metropolitan manipulation. While this might have applied to territories under the direct control of the Colonial Office, it clearly does not work for colonial Zimbabwe with its Responsible Government dispensation. With a significant degree of autonomy, white settlers in colonial Zimbabwe were able to significantly exploit to their advantage, opportunities presented by Britain's post-war economic challenges. In Chapter One, particularly the section on the deliberations leading to the consummation of the 1947 London Agreement, the thesis has shown how high demand for tobacco in post-war dollar crisis-plagued Britain placed colonial Zimbabwe at the centre of imperial tobacco leaf supply. (See the discussion on pages 28-30). The colony suddenly became one of the key alternative non-dollar suppliers of tobacco leaf to metropolitan manufacturers. This uncharacteristically consolidated its relative economic bargaining power *vis-a-vis* that of the imperial manufacturers. Consequently, a 'special' relationship built on 'the mutuality of interests' evolved between the colony's tobacco interests and British tobacco manufacturing capital, reconfiguring power dynamics between metropolitan and white settler economic interests. Contrary to the 'centre-periphery' template of most 'second colonial occupation' literature, the study did not only shed light on the dynamic manifestations of settler colonialism, but also agrees with Kenneth Good's argument that colonial Zimbabwe's 'settler colonialism [was] no mere appendage of British imperialism.'¹

¹ K. Good, 'Settler Colonialism in Rhodesia', *African Affairs*, 73, 290 (1974), 10-36, 10; See also L. Veracini, 'Settler Colonialism', 313-33.

In advancing its argument for the saliency of global dynamics in the development of the local tobacco industry from 1947 to 1956, this thesis has drawn on Gerold Krozewski's identification of distinct phases which influenced post-war British imperial economic policy. According to Krozewski, the phases were as follows: 1945-47 period characterized by the failure of sterling convertibility; the 1947-53 period characterised by the turn towards empire, or the 'Second Colonial Occupation'; and the 1953-56 period, characterised by a shift towards liberalisation and sterling convertibility.² Closely focusing on these phases, this thesis has shown how, broadly, the fortunes of the colony's tobacco industry were influenced by this trend, being brightest during the period of acute dollar shortages, and dimming with the improvement in Britain's dollar position. Up to 1952, the industry was generally doing well within the limits imposed by labour and other constraints such as droughts and this success was tied up with broader global market dynamics in general, and Britain's post-war economic and financial challenges, in particular. It is little wonder that when the global climate changed from 1953, with the improving dollar situation and the movement towards sterling convertibility, the colony's tobacco prospects began to wane. Although full convertibility was achieved in 1958, the shift in that direction began to manifest towards the mid-1950s, culminating in the 1956 price crisis at the Salisbury auction floors. (See a section titled, From a 'Seller's to a Buyer's Market: Towards the 1956 Crisis' on page 46 of Chapter One).

The local industry's bargaining power was inversely proportional to the fortunes of the sterling, diminishing with steps that Britain was taking towards financial stability. In response to the improving dollar situation in Britain, from 1953 the Salisbury tobacco auction floors changed from a 'seller to a buyer's market. The resultant deepening of power asymmetries between growers and buyers towards the mid-1950s, discussed on page 53 of the same chapter, eventually triggered the 1956 price crisis at the Salisbury auction floors. By pursuing these developments, this thesis has clearly illuminated the circumstances under which, and the extent to which, metropolitan buyers consolidated their bargaining power forcing the local tobacco industry to amplify its calls for government intervention in the marketing of the crop.

In further advancing its overall argument, this thesis has, in Chapter Two, revealed how Britain's attempts to readjust her established imperial relations to the requirements of liberal multilateralism further hardened the global tobacco marketing landscape. It has identified global developments: liberalisation, the European Common Market and the increasing

² Krozewski, *Money and the end of Empire*.

American threat, which were a serious cause of concern for local tobacco growers. At pages 65-80, the thesis examined how local tobacco growers perceived these as threats to their own interests, and the concerted effort they put in trying to stop, or at least delay them. For instance, it was feared, and justifiably so, that liberalisation would open the local tobacco industry to the vagaries of global markets, particularly to the ‘full blast’ of American competition. The abolition of dollar import restrictions – which liberalisation entailed – and which had acted as a shield for the local industry since the late 1940s, meant that the local crop had to compete in the British market with American and Canadian tobacco on equal terms.

Almost simultaneous with Britain’s shift towards liberalisation was the inception of the European Economic Community’s (EEC) European Common Market (ECM). In terms of the provisions of the Rome Treaty, which established the ECM, six European countries – Luxembourg, West Germany, Italy, the Netherlands, France and Belgium – sought the gradual elimination of trade barriers between member states. Italy’s aggressive selling policy in Europe was considered a threat in this market. This was in addition to the American threat discussed in the same chapter, which as the thesis has shown, was two-fold. First, America was lobbying vigorously for the removal of the Commonwealth preference on tobacco which would further erode the local leaf’s competitive edge in Britain and other Commonwealth markets. Second, America’s Public Law 480 deals stifled the local tobacco industry. (See the discussion on Chapter Two, pages 72-4). Driven by the desire to reduce the tobacco stockpile through encouraging world consumption of American tobacco, the deals gave out tobacco on concessionary terms. The chapter has highlighted how such markets as Burma, Egypt, and Congo and at some point, Japan were completely closed off to colonial Zimbabwe’s tobacco. Japan was particularly important in demonstrating the impact of these deals. Whereas during the subsistence of the PL 480 arrangements local tobacco could not get into Japan at all, when the PL 480 flow stopped, Japan very quickly became an important buyer in Salisbury. These developments in the global markets exerted immense pressure on local growers. They bore testimony to the intractable challenges facing the local tobacco industry and how they were linked to the prevailing dynamics in the global tobacco trade.

Tobacco growers generally blamed UDI for everything that went wrong in their industry. Those who have written on the industry have also fallen into this trap.³ The debilitating effects of UDI on the industry is often contrasted with what is projected as a

³ See for instance, T. Mbanga, *A Century of Gold*; and Armstrong, *Tobacco Spiced with Ginger*.

flourishing industry prior to UDI and sanctions. Yet, as Pilossof accurately observes, ‘even before the disruptions of UDI, market forces were hardening against Rhodesian tobacco.’⁴ Building on this observation, and by closely following events of the period just before UDI, this thesis has shown how global perceptions of the local industry negatively affected its prospects. For instance, on page 89, the thesis discusses how the demise of the Federation cast doubt on the continuity of tobacco supply from the colony, which in turn complicated its prospects on the global market. This was taking place at a time when there was fierce competition for markets in the global tobacco trade as more producing countries were increasing their production. This was also about the same time when the use of flitter-tipped cigarette which utilised smaller quantities of tobacco was introduced. At the same time, efficiency in manufacturing meant that wastage was greatly minimized which also affected tobacco demand. It is in this context that the hotly contested Production Control Scheme which was forced down the throats of many resisting growers, at least to save the industry from total collapse should be understood.

If there is anything that aptly demonstrated the saliency of the global context in influencing local tobacco growers’ fortunes it was the sanctions imposed on the rebellious colony in 1966. Reeling under sanctions the tobacco industry was forced to half its membership. From a high of over 3,000 growers in 1964, the number fell to slightly over 1,500 by the mid-1970s. (See Fig. 5 on page 113). Production and profitability also fell due to these constraints. What remained of the once leading industry in the colony only did so as a result of massive investment by the state through buying and stockpiling tobacco. But, this was not without its problems. It spawned new power relational dynamics between the state and tobacco growers and generated immense friction between the two parties over leaf prices and individual production and marketing quotas.

If it was the global environment of international sanctions which almost caused the industry to collapse in the late 1960s, it was the global shortage of leaf in the early 1970s which threw it a lifeline. But, the extent to which colonial Zimbabwe’s tobacco industry could benefit from this global environment was limited by the international sanctions still in existence. All the same, the relative success of sanction-busting which many scholars write about should be understood in the context of the willingness of international buyers to risk by buying the sanctioned leaf from colonial Zimbabwe. The preparedness of international buyers to flout

⁴ Pilossof, *The Unbearable Whiteness*, 18.

international sanctions was due to the global tobacco shortage of 1972-75 and the capacity of the local industry to produce significant amounts of high quality tobacco for global markets. Supply and demand dynamics of this period worked in colonial Zimbabwe's favour. Short crops in several producing countries depressed global supply at a time the increasing popularity of the cigarette was boosting demand. It was against this background that the local industry was able to dispose of its entire stockpile, and even reintroduced the open auction floor system of selling the crop, which had been stopped in 1966.

The advantage that the local industry enjoyed was, however, short-lived due to other global developments. The world recession largely caused by the 1973 oil crisis impacted on the local tobacco industry as it did on other industries both locally and internationally. It made capital both scarce and expensive all over the world, aggravated by new tax procedures and additional taxes on cigarettes.⁵ In the wake of the world-wide strain of liquidity crunch caused by the recession, tobacco producers suffered. Manufacturers were forced to reduce stock levels to restore liquidity, forcing demand for green tobacco to go down.⁶ Consequently, prices on the Salisbury floors fell to levels far below the industry's expectations. The situation was compounded by the fact that cigarette manufacturers were locked in a fierce trading and advertising battle costing millions as a result of the anti-tobacco lobby which became amplified during this period.⁷ In response to the liquidity challenges and the activities of the anti-tobacco lobby, manufacturers resorted to filter-tipped cigarettes, with longer filters. This served them well during these difficult times: it reduced the quantity of tobacco in a cigarette on one hand, whilst it partly appeased the anti-smoking lobby, on the other.⁸

At the regional level, this thesis examined the South African market to see how it intersected with, and shaped, the global and local contexts in which the local industry was operating. A key feature of this market was the ambiguous relationship between local and South African tobacco interests, which received attention in Chapter One, on page 35. The major challenges facing the local tobacco industry in this area was how to accommodate South African interests without antagonising the British market. While South Africa remained a key market, the local industry was keen to ensure that it did not interfere with the much preferred British market. This was because South African tobacco policy towards colonial Zimbabwe

⁵ *Tobacco Today*, June 1973, 17.

⁶ *Ibid.* Stock duration refers to the total stocks held, divided by known annual consumption.

⁷ Anti-tobacco lobby gathered pace around the mid-1960s in response to the US Surgeon-General's January 1964 report linking cigarette smoking to lung cancer. See *World Tobacco*, 4, March 1964, 45.

⁸ It was believed that filter-tipped cigarettes were less risky.

was considered not in the long term interest of the local industry. While it provided an important duty-free platform for part of colonial Zimbabwe's leaf in terms of a renewable bilateral agreement, the South African market was fraught with uncertainty. The Union quota was to be agreed to between the two countries' ministers of agriculture each season, and the quantum depended on whether there was a shortfall in domestic production or not. Because of fluctuations in demand depending on each season's local production, it was difficult to plan for this market.

In addition to examining global and regional dynamics, this study also attempted to connect them with local developments within the industry. Focusing on the local tobacco industry over a long and eventful period of time, enabled this thesis to put the dynamic and contested relationship between tobacco growers and the state under the spotlight. For instance, during the boom years of the late 1940s to early 1950s growers emphasized their independence from government, hailing their industry as the clearest example of the success of free market enterprise. Government interference in the affairs of the industry was not only resented, but was also vigorously resisted. However, as the global environment of the mid to late 1950s deepened power asymmetries between buyers and growers, this changed. Growers' adherence to free market enterprise loosened, drastically transforming their attitude towards Government intervention. Faced with a tightening global marketing environment, they were now calling upon Government to actively intervene in support of their industry. The calls were amplified as the 1950s drew to a close and the marketing environment further hardened in response to Britain's liberalisation drive and the American threat.

The global developments with the biggest impact on the relationship between the state and the local industry were Britain's decolonisation drive of the late 1950s to 1960s, the international sanctions imposed on the colony after UDI in 1965, the 1970s global economic crisis and the intensifying nationalist war of liberation, especially from 1972 onwards. Chapter Three demonstrated how the Smith regime's strategy of circumventing decolonisation on Britain's terms through UDI created a rift between political and economic elites within the tobacco industry. Cognisant of the negative impact UDI was bound to have on their industry, the Rhodesia Tobacco Association (RTA) did not hide their opposition to it. The tension that this created became apparent after UDI and the imposition of sanctions. The last sections of Chapter Four captured the increasingly conflictual relationship between the industry and the state, and how, in trying to safeguard their own interests, growers changed their political outlook and attitude towards Africans. In a section titled 'We must adapt to Survive', Chapter

Five showed the various quasi-diplomatic measures that tobacco growers embraced to try to negotiate their economic survival in view of the imminent majority rule, and these often conflicted with the position of the political elites in the Rhodesian Front Government.

The coming of UDI and the accompanying sanctions reconfigured the local industry's structure and interaction with the market. The open and unfettered auction sale system adopted in 1936 was abandoned. The new arrangement saw the relationship between growers and the market mediated by the state through the Tobacco Corporation. The suspension of open auction sales, production control through the quota system, and the urgent need for diversification brought about a new set of relations, which the chapter illuminated. For instance, the new marketing arrangement heavily eroded growers' bargaining power by giving the initiative to the state through the Tobacco Corporation. Growers were not passive recipients of government policy though. They contested measures which they felt were detrimental to their well-being.

The thesis went beyond showing how global dynamics shaped the relationship between the state and the tobacco industry. It went further to demonstrate how these influenced intra-grower relations. One of the hotly contested issues was the London Agreement. Whereas the leadership of the industry in the RTA viewed the agreement as an opportunity for establishing a viable industry that would survive beyond the dollar crisis-induced boom conditions, some sections of their membership thought otherwise. They called for the maximisation of profits through opening the market for competition. The quality and price clauses of the agreement became a source of much contestations. According to the agreement local growers had an obligation to produce flue-cured tobacco of 'suitable quality' saleable at 'reasonable prices.' While the RTA executive was concerned about balancing quantity and quality in order to establish a reputable industry that would outlive the dollar shortage-induced boom conditions and compete on equal terms on world markets, some small growers wanted to manipulate the boom conditions by focusing on quantity rather than quality. This became a source of much friction within the industry. Disputes often arose on what constituted 'suitable quality' with growers accusing their association of siding with the buyers instead of representing their interests. (See Chapter One's Section on 'The London Agreement and Ordinary Growers' Voices', on page 42).

More cracks within the tobacco growing industry manifested themselves in the build-up to UDI. While the RTA executive joined other economic interest groups in lambasting UDI, this did not resonate with the rest of the ordinary membership. A section of the growers was so committed to independence that they did not want anything that appeared to be discouraging

the RF regime in pursuing this. Even after receiving a report compiled after thorough investigations of the likely impact of UDI on the colony's tobacco industry, some growers still supported the regime in its bid to unilaterally declare the colony's independence from Britain. It was partly these divisions which weakened the RTA's opposition to UDI. This friction was worsened by disagreements over how to deal with buyers who were accused of erratic buying, especially during the relentless battle for markets of the late 1950s to early 1960s. While the ordinary grower was prepared to take a hard stance towards the buyers, the RTA executive understood that there was very little they could do to force buyers to offer better terms. The friction generated by this and further worsened by the Production Control Scheme which was introduced in 1963 to deal with over-production saw heated debates between ordinary growers and their leadership. The tension was so high that there often were calls for a vote of confidence in the leadership. As the global environment tightened and the local industry suffered from lack of markets or reduced prices of their leaf, the relationship between growers and their leadership worsened. Ordinary growers felt that the RTA was not doing enough to safeguard their interests.

In summary, this thesis broadly contributes to the post-Second World War era economic history of Zimbabwe. It takes further the debate on the development of settler capitalist agriculture which hitherto revolved around the role of the state on one hand, and the industriousness of individual farmers, on the other. As the thesis has clearly demonstrated, developments within colonial Zimbabwe's tobacco industry were largely shaped by the global environment in which the local industry operated. Following the story of the colony's tobacco industry from 1947 to 1979 enabled this thesis to cast light onto the local tobacco industry's responses to shifts in global environments, putting the impacts of these changes under the spotlight. By so doing the thesis shows how the fortunes of the industry were transformed in response to global market dictates. At the same time, the thesis also explored the power dynamics which the shifts in the global, regional and local contexts spawned, particularly both grower-state, and intra-grower, relations. Overall, the thesis makes the case that an understanding of local economic processes can only be reached after an analysis of the articulation of global, regional and local factors influencing them, over time. Focusing on one aspect will only give part of the story. In the case of colonial Zimbabwe's tobacco industry, the prevailing global climate heavily influenced how the local industry fared at any given moment in time.

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