Northern Rhodesia: The Post-War Background, 1945–1953

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It is many years since I said anything new about the colonial history of Zambia, so I was flattered to be invited to contribute to this collection as well as to the conference on which it is based. There seemed to be two ways in which I could try to be useful. I shall sketch the background to Northern Rhodesia in the 1950s, by way of providing a context for the research papers which follow. And along the way I shall take note of themes and topics which still call for study, despite the recent revival of interest in late-colonial Zambia.

Let us begin with the copper industry, which for a century has been so important a factor in Zambia’s history.¹ We must recognise that it only began to prosper in 1949. During the last two years of World War II the mines were badly run down: existing workings were yielding diminishing grades of ore, and large-scale development was needed to gain access to ores of a quality which would – as in

¹ A.D. Roberts, ‘Notes towards a financial history of copper mining in Northern Rhodesia’, Canadian Journal of African Studies, 16 (1982); L.J. Butler, Copper empire: Mining and the colonial state in Northern Rhodesia, c.1930–1964 (Basingstoke, 2007).
the later 1930s – compensate for the high costs of transport. Hence, from 1945 to 1949 the Rhodesian Selection Trust, which dominated two of the four operating mines, paid no dividends: it devoted net profits to mining development. But in 1949–50 two things happened which gave a mighty boost to the industry. In September 1949 the pound sterling was devalued by 44 per cent against the U.S. dollar. The price paid for Northern Rhodesian copper by the British government had been based on the dollar price, and the sterling price rose accordingly. Then in mid-1950 the Korean War broke out: this provoked fresh demands for copper, and between 1950 and 1953 the dollar price rose by a half. Thanks to post-war development work, output rose in response: between 1950 and 1953 it increased by 40 per cent. The value of sales increased three-fold, for from 1951 demand was further stimulated by the strategic stockpiling of copper by the U.S. government. And in 1953 Britain ended the bulk-buying contracts with the mine companies which had governed sales in most years since 1939. As a result, Northern Rhodesia was able to supply the U.S. stockpile: in 1953, over 10 per cent of Northern Rhodesia's copper exports were sold to the dollar area.

After nearly thirty years, large-scale, deep-level mining in Northern Rhodesia was beginning to pay off. By 1951 all four copper mines were paying dividends. Between 1945 and 1953 over £120 million were sent abroad from Northern Rhodesia in dividends, interest payments and profits; some of this was re-invested in the Copperbelt, though much was directed to mining and transport elsewhere. As for the Northern Rhodesia government, its share in the country's copper wealth was boosted by changes in company taxation, and by an agreement in 1949 with the British South Africa Company whereby the government took one-fifth of the gross value of royalties paid to this company by the mine companies. Government revenue – roughly half of which came from the copper industry – rose from £4.3 million in 1947 to £10 million in 1949 and £30 million in 1953. Even allowing for post-war inflation, this represents something like a five-fold increase.

If 1949 marked a milestone in the financial history of Northern Rhodesia, it was also a milestone in the history of industrial labour. For it was in that year that the legal basis of trade unions was firmly placed on a colour-blind footing. This was not to be taken for granted. To be sure, laws setting out the rights and duties of trade unions, and the regulation of industrial disputes, had by 1941 been