

**Partly Protected:
Origins and Growth of Colonial Zimbabwe's Textile Industry,
1890-1965***

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Colonised by Rhodes' British South Africa Company in the 1890s, Southern Rhodesia (now Zimbabwe) was initially expected to be a wealthy source of minerals. However, when mineral discoveries proved disappointing, the country's white settlers increasingly turned to agriculture. From the turn of the century until the Second World War, mining and agriculture, in fact, comprised the mainstay of the Southern Rhodesian economy. The pre-war jingle was not entirely inaccurate in proclaiming:

Southern Rhodesia, fair and fine,
Fifty farms and a railway line ...

as manufacturing was left pretty much to its own devices by successive governments unconvinced that secondary industry merited any kind of support. As late as July 1939, a committee of enquiry from which the government had pointedly excluded factory owners, advised against an active policy of encouraging secondary industrialisation. Private enterprise, concluded the committee, "could safely be left, without direct Government assistance, to develop worthwhile industries as opportunity occurred ... It was quite unnecessary for the Government to devote funds to hastening such developments".¹

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1. *Report of the Economic Development Committee* (Government Printer, Salisbury, 1939), pp 38-40. This section draws heavily on A. Mlambo, E. Pangeti and I. Phimister, *Zimbabwe: A History of Manufacturing 1890-1995* (University of Zimbabwe Publications, Harare, 2000), pp 26, 31.

Within months of accepting the committee's report however, the government's *laissez-faire* attitude towards secondary industry was transformed by the outbreak of the Second World War. Realising that drastic action was needed to overcome supply bottlenecks threatening to stifle the colony's war effort and its wider economic expansion, the government in 1940 established an Industrial Development Advisory Committee. This, in turn, became the Industrial Development Commission, with access to public funding for approved projects. The general idea was that where assistance was required "to enable new industries, particularly those based on the processing of raw materials produced in the country, to become established", the government would either participate directly or it would create conditions conducive to the establishment of industries "in the national interest".² Consequently, state interventions were designed to complement rather than compete with private enterprise. This was why the government invested directly in a number of parastatals, including the Cold Storage Commission, the Rhodesian Iron and Steel Commission, the Roasting Plant, and the Sugar Industry Board.³ Prominent amongst these enterprises, was a cotton spinning mill, the essential first step towards the development of a local textile industry. It is the origins and development of this "classically colonial" industry that are traced and analysed in what follows. The period covered runs roughly from the 1920s when cotton-growing was promoted in different parts of the British Empire, through to the unilateral declaration of independence by the colony's white settlers in 1965.

From Cotton Research Industry Board (CRIB) to textile industry

As a number of writers have documented, efforts to establish commercial cotton-growing north of the Limpopo dated from the early years of settler occupation when it had become clear that Southern Rhodesia was unlikely to yield much mineral wealth, at least not on the scale of the Rand gold-mining industry. These early attempts were spearheaded by the British Cotton Growing Association (BCGA).⁴ While concerted

2. National Archives of Zimbabwe (hereafter NAZ): F295/51/26/51, Import Controls: Piece Goods - Department of Trade and Industrial Development, "Secondary Industry in Southern Rhodesia", W.A.E. Winterton – Minister of Trade and Industrial Development, May 1953.
3. See: A. Mlambo, "The Cold Storage Commission: A Colonial Parastatal, 1938 to 1963", *Zambezia*, 23, 1, 1996; A. Mlambo and E. Pangeti, *The Political Economy of the Zimbabwean Sugar Industry, 1920-1990* (UZ Publications, Harare, 1996).
4. P. Nyambara, "The Origins and Development of the Cotton Industry in Colonial Zimbabwe, 1903-1935", *Eastern Africa Social Science Review*, 6, 2 & 7, 1, (June 1990 & January 1991), p 141; P. Nyambara, "Colonial Policy

efforts were made by both the BCGA and local settlers to develop a viable cotton-growing industry that would reduce the British textile industry's dependence on American cotton, the industry was slow in developing during the period of British South Africa Company Administration up to 1923.⁵ Thereafter, the situation was transformed by intensified propaganda on the part of the Empire Cotton Growing Corporation (ECGC), an organisation founded by the British Board of Trade to promote cotton cultivation, especially when combined with greater interest on the part of the new settler administration, and a fortuitous increase in cotton prices. Between 1924, when the colony's first cotton research station was started, and 1935, cotton-growing in Southern Rhodesia expanded rapidly.⁶

In 1936, the Southern Rhodesian Government, the ECGC, and the BCGA together established the Cotton Research Industry Board (CRIB) to oversee the development of the cotton industry in the country. A Cotton Growers representative sat on the Board to keep cotton farmers informed about the Board's functions. The Board established three ginneries in Gatooma (now Kadoma) with funding from the BCGA.⁷ It was also here that the first cotton-spinning mill was built in 1941. CRIB received a state loan of £20 000 for the erection and operation of a cotton-spinning plant, as well as a small factory for the manufacture of absorbent cotton wool. The following year, CRIB was reconstituted in order to broaden the scope of its activities. It was to be responsible for establishing and developing "within the Colony, textile and allied industries, [supervising] research work on cotton and on insect pests and diseases affecting cotton and other matters connected therewith, [and

and Peasant Cotton Agriculture in Southern Rhodesia, 1904-1953", *International Journal of African Historical Studies*, 33, 1, 2000; P. Nyambara, "A History of Land Acquisition in Gokwe, Northwestern Zimbabwe, 1945-1997." PhD thesis, Northwestern University, Illinois, 1999. See also S. Zhara, "The Development of the Cotton Industry in Southern Rhodesia from the early 1920s to 1942." BA Honours, University of Zimbabwe, 1983; T. Moyo, "A History of the Cotton Industry in Colonial Zimbabwe: 1903-1940s." BA Honours, University of Zimbabwe, 2001.

5. Nyambara, "Origins and Development of the Cotton Industry", pp 141-144.
6. Southern Rhodesia (hereafter SR), *Official Yearbook*, (Government Printer, Salisbury, 1924), p 134; SR, *Official Yearbook*, (Government Printer, Salisbury, 1930), p 345.
7. NAZ: F296/23/2/4/49, Cotton Research and Industry Board (hereafter CRIB), 28 April 1949 to 30 December 1953; NAZ: F296/23/2/4/49, CRIB, "Fourteenth Annual Report: For the Year Ended 31st March 1950".

assisting] the development of the cotton industry in the Colony”.⁸ Unlike the first board in which British interests collaborated with the Southern Rhodesian Government, the second Board was wholly managed by the settler state. It now felt sufficiently confident to assume full responsibility for the research, as well as the other activities of the Board. The government, however, maintained close contact with both the ECGC and the BCGA, as well as other cotton textile organisations in England.⁹ For its part, the Board established and began operating a cotton-spinning mill with a capacity of 1 000 spindles in July 1943. By December 1946, the Chairman of the Board was able to report that its ginneries were operating three shifts, and were producing enough yarn to meet the local demand.¹⁰ Spinning capacity at the CRIB’s Gatooma mills was gradually increased until, by 1951, the mills were operating 17 400 spindles. Soon afterwards, construction began on a second mill that would raise spinning capacity to 35 000 spindles. The mills were also producing some 22 000 pounds of cotton wool each month.¹¹

As the CRIB itself was fond of emphasising, it now dominated the Southern Rhodesian cotton industry, both agriculturally and industrially. An internal memorandum observed in May 1951 that:

The Cotton Research and Industry Board, which guarantees to purchase the Colony’s entire crop of seed cotton at prices advertised in the previous years, is the farmers’ market. The Board gins the seed cotton at its ginners at Gatooma and thereafter spins the resultant lint into yarn, which it sells to weaving and knitting factories in the Colony. It is thus enabled to pay the farmer a much better price for his seed cotton than it could possibly do if it merely shipped the baled lint to Lancashire or India.¹²

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8. NAZ: F296/23/2/4/49, CRIB, 28 April 1949 to 30 December 1953; NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31st March 1950”.
 9. NAZ: F296/23/2/4/49, CRIB, 28 April 1949 to 30 December 1953; NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31 March 1950”.
 10. NAZ: F352/15/8, CRIB, Minutes of meeting held on 12 December 1946 – G.S. Cameron, Chairman.
 11. NAZ: F295/23/2/19/50, Cotton Board Spinning Mill: July 1951 to 26 May 1954: “Municipality of Gatooma, Gatooma and the Cotton Industry”. Also: *East Africa and Rhodesia*, 15 July 1943.
 12. NAZ: F295/23/2/19/50, CRIB, Memorandum explaining the need for a third spinning mill, 26 May 1951.

Nor was the CRIB exaggerating. By the start of the 1950s, the Board was supplying twelve local companies with yarn. It was also exporting to South Africa. In 1950 these exports amounted to 1 000 000 pounds of yarn, valued at £210 000, and in 1951 to 1 022 000 pounds of yarn, valued at £170 000.¹³ Indeed, a few years earlier, the Board had reported that, in addition to meeting local demand for yarn, it had “found a ready and expanding market in the Union of South Africa for our yarn and cotton wool and are able to record that our products are much appreciated by our customers”.¹⁴ Production levels between 1946 and 1954 are indicated in Table 1 below:

Table 1: CRIB cotton yarn production and exports, 1946-1954 (in pounds)

Year	Yarn produced	Yarn sold in S.R.	Yarn exported
1946	448 000	440 000	NIL
1947	462 000	460 000	NIL
1948	733 000	730 000	NIL
1949	1 081 000	768 000	168 000
1950	1 894 000	1 160 000	770 000
1951	2 428 000	1 432 000	973 000
1952	4 023 000	3 221 000	681 000
1953	6 030 000	5 770 000	360 000
1954	7 500 000	7 140 000	360 000

Source: NAZ: F295/23/2/19/50, Cotton Board Spinning Mill, CRIB Production Figures for Cotton and Cotton Yarn, July 1951 to 26 May 1954.

By 1951, discussions were held with a view to building a third mill, as it was envisaged that, due to the growing demand for yarn, the two mills then in operation would not cope with local, let alone the export demand by 1954, especially since there were “constant enquiries from other concerns in England and Southern Africa interested in establishing themselves in Southern Rhodesia”. It was thought necessary to plan for the establishment of a third spinning mill of 35 000 spindles which would help double the country’s yarn production capacity.¹⁵ In the event, however, expansion fell victim to bottlenecks elsewhere in the economy. Earlier plans to enlarge the capacity of the second mill were themselves delayed, and it was no longer expected to come into production until 1953

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13. NAZ: F295/51/26/51, Import Controls: Piece Goods - Department of Trade and Industrial Development, “Secondary Industry in Southern Rhodesia”, W.A.E. Winterton – Minister of Trade and Industrial Development, May 1953.
 14. NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31st March 1950”.
 15. NAZ: F295/23/2/19/50, CRIB, Memorandum explaining the need for a third spinning mill, 26 May 1951.

“due to the building contractors being about 2 years behind schedule”. Because of this, it was decided to “adopt a policy of caution before deciding, definitely that a third mill will be required within, say, in the next five years”.¹⁶

In the interim, however, the industry as a whole continued growing. Among the local companies that were established soon after the CRIB’s creation and which benefited from its supply of yarn, were the following:

Table 2: Textile Industry Firms during the Second World War

Amalgamated Textiles Limited, Bulawayo	Private company engaged in knitting.
Bulawayo Knitting Mills Limited, Bulawayo	Private firm registered for manufacture of cardigans, pullovers, sports shirts.
Combe Weaves Limited, Bulawayo	Small concern engaged in weaving cloth for house furnishings.
Consolidated Textiles (Rhodesia Limited), Bulawayo	Private company, engaged in weaving blankets.
Gatooma Textiles Limited, Gatooma	Public company with an issued capital of £90 000, increased to £250 000 in 1944, engaged in weaving calico, canvas, drills, tobacco cloth and dyeing.
Leicester Mills Limited, Bulawayo	Private company engaged in knitting.
Marketos Brothers Limited, Salisbury	Small concern engaged in weaving.
Remedios Cotton and Textile Mills	Manufacture of calico, white drill, table cloths, khaki shirts.
Rhodesia Knitting Mills Limited	Almost immediately taken over by Textile Mills Limited.
Rhodesian Weaving Mill Limited	Public company, engaged in weaving blankets.
Scotford Mills Limited, Gatooma	Private company, engaged in producing knitted garments.
Security Mills Limited, Bulawayo	Private company, engaged in knitting and weaving.
Textile Mills Limited, Bulawayo	Public company with an issued capital of £225 000, engaged in knitting, weaving and bleaching (took over the assets of Rhodesian Woollen Fabrics Limited).
Textiles (Rhodesia) Limited	Blankets and textiles.
Twine & Cordage Manufacturing Company (Rhodesia) Limited, Salisbury	Private company, engaged in producing twine for the tobacco and other industries of Southern Rhodesia.

Source: NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31st March 1950”; *Rhodesia Herald*, 16 February 1945.

16. NAZ: F295/23/2/19/50, CRIB, Additional notes on the necessity for a third spinning mill and location of site, 21 May 1952.

While evidence for the textile industry's early structure and capitalisation is poor and fragmented, what is beyond question is the industry's rapid post-war expansion, most of it after the Customs Agreement concluded with South Africa in 1948 (see below).¹⁷ At the beginning of the 1950s, textile manufacturing had grown to the point where it was the leading industry in the country's secondary industrial sector. Some 80 clothing factories produced £3 000 000 worth of goods, two-thirds of which were exported to neighbouring territories, in particular to South Africa. The industry, so it was claimed, catered for both the white and African markets, albeit approximately "80% of its production consisted of the cheaper type of garment produced for consumption by Africans".¹⁸ Over the next two years, this predominance became still more marked, as shown by Table Three.

Table 3: Manufacturing Industries – Exports & Imports, 1951- 1952

Commodity	Domestic 1951	Exports 1952	Imports 1951	Exports 1952
1. Clothing	£2 827 000	£2 365 000	£5 380 000	£4 074 000
2. Cigarettes	653 000	723 000	25 000	26 000
3. Meats preserved	413 000	461 000	41 000	47 000
4. Sugar refined	403 000	592 000	1 000	1 600
5. Jute/Hessian (Excluding bags)	365 000	172 000	269 000	164 000
6. Footwear	340 000	344 000	1 067 000	935 000
7. Cotton Piece goods	301 000	239 000	5 362 000	3 040 000
8. Cotton yarns	226 000	170 000	207 000	160 000
9. Asbestos cement manufactures	189 000	264 000	192 000	314 000
10. Groundnut oil	180 000	153 000	-----	-----
11. Wooden furniture	153 000	196 000	710 000	657 000
12. Blankets & rugs	142 000	161 000	623 000	672 000

Source: NAZ: F295/51/26/51, Import Controls: Piece Goods - Department of Trade and Industrial Development, "Secondary Industry in Southern Rhodesia", W.A.E. Winterton – Minister of Trade and Industrial Development, May 1953, p 10.

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17. For wider discussion, see I. Phimister, "Secondary Industrialisation in Southern Africa: the 1948 Customs Agreement between Southern Rhodesia and South Africa", *Journal of Southern African Studies*, 17, 3, 1991.
18. NAZ: F295/51/26/51, Import Controls - Piece Goods: Memorandum - Application by the Southern Rhodesian Clothing Manufacturing Industry for an Allocation of Dollars for the Importation of Piece Goods of United States Origin.

By 1954 or thereabouts, the industry had entered a phase of consolidation. Although the total number of factories continued to expand, output was increasingly dominated by fewer companies. Foreign capital, mainly British and South African, was a significant presence. Three large concerns, namely Gatooma Textiles, Security Mills and David Whitehead, a well-known British company, produced woven piece goods amounting to a combined output of six million yards. Two other companies, Consolidated Textiles Limited, a subsidiary of a South African firm with links to the Lancashire Cotton Corporation, and Rhodesian Weaving Mills, manufactured most of the colony's blankets. Speciality Weavers, a company established in 1952 in Gatooma, was single-handedly responsible for an output of a quarter of a million square yards of canvas. Other large establishments included Leicester Mills, Security Mills, Textile Mills of Bulawayo, Scotford Mills and D. Pegler Gatooma, all of whom manufactured knitted garments such as vests and jerseys. Twine production was in the hands of two firms, Twine and Cordage Limited and Rhocord Products Limited, whose combined production came to 100 000 pounds per annum.¹⁹ Similarly, jute goods were the provenance of only two factories, namely Rhodesian Jute Industries in Umtali (now Mutare) and the Highfield Bag Company in Bulawayo. They manufactured cloth bags, as well as printed and plain bags from imported hessian. Raw jute was imported mostly from Pakistan. Because of its utter dependency on imported fibre, this sector was not competitive in the local market. Imported jute and Hessian products still totalled £1 339 000 by as late as 1952.²⁰

Protectionism and Government Policy

Throughout the period under study, the textile industry fretted about the danger posed by competition from imported used clothing. Industry spokesmen repeatedly sought assistance from the government in stemming the flow of such imports. Prior to 1951, the importation of used clothing was governed by the Customs and Excise Management Act,

19 This was not enough to meet the country's requirements, however as 682 000 pounds had to be imported in 1952 to make up for the shortfall. NAZ: F295/51/26/51, Import Controls: Piece Goods - Department of Trade and Industrial Development, "Secondary Industry in Southern Rhodesia", W.A.E. Winterton – Minister of Trade and Industrial Development, May 1953, p 13.

20. NAZ: F295/51/26/51, Import Controls: Piece Goods - Department of Trade and Industrial Development, "Secondary Industry in Southern Rhodesia", W.A.E. Winterton – Minister of Trade and Industrial Development, May 1953, p 15.

Government Notice Number 22 of 1943, which provided for the “disinfection of second-hand clothing, beddings, rags and any similar article before importation into the Colony of Southern Rhodesia in order to prevent the introduction ... of infectious diseases”. There was also provision in the Customs and Excise Management Act of the same year for prohibiting the importation of second-hand clothing of any description, including “puttees, hats, caps and second hand blankets, mattresses and sheets for sale”.²¹ Although these regulations were used often enough to stem the tide of second-hand clothing imports, the growing textile manufacturers became increasingly dissatisfied with the implementation of this legislation. In November 1951, the Secretary for Trade and Industrial Development advised the Controller of Customs and Excise that members of the Mashonaland Clothing Manufacturers Association had recently asked whether “any steps could be taken to prevent the import of second hand clothing”, as they were finding it difficult to sell their own products in the country and had to rely on exports because “of the flood of second hand clothing on the market”.²² The Federation of Rhodesian Industries endorsed the position of the Mashonaland Clothing Manufacturers and requested that the importation of second-hand clothing into the colony be completely prohibited.²³ Meanwhile, the Health Authorities also claimed that they were no longer in a position to continue inspecting second-hand clothing and, equally, requested the repeal of Government Notice Number 22 of 1943.

Not all textile manufacturers or industrialists supported the call to ban second-hand clothing imports. The Bulawayo Chamber of Commerce, for instance, felt that certain categories of clothing, including essential items such as military overcoats, air-force jackets, and battledress, should be allowed into the country.²⁴ Similarly, the Rhodesia

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21. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Controller of Customs and Excise, 14 November 1951.
 22. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Secretary for Trade and Industrial Development to the Controller of Customs and Excise, 24 November 1951.
 23. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Federation of Rhodesian Industries to Secretary, Trade and Industrial Development, 6 December 1951.
 24. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Memorandum, Division of Trade and Industrial Development, 28 February 1952. Similarly, the Secretary for the National Co-ordinating Council for the Clothing Industry for Southern Rhodesia to Secretary, Department of Trade and Industrial Development on 12 December 1952: “After careful consideration, we consider the following

Federated Chambers of Commerce, never particularly keen to be at the sole mercy of local industrialists, argued that banning second-hand clothing imports “would be against the interest of the greater bulk of the native population”, because “the goods are sold locally at a small percentage of their actual value and are, therefore, of great benefit to the poorer type of Native, particularly in the Reserves, and more so considering the present high cost of clothing”.²⁵ As for the objections of the Health Authorities, the organisation argued that there was no cause for concern, as before they were shipped abroad from England, second-hand clothes were

... examined, repaired where necessary and, in most cases, dry cleaned, ironed and then fumigated and packed ... These garments have been imported into this territory for a number of years without being the cause of any epidemics and we have, therefore, no hesitation in saying that, from a health point of view, there should be no objection.²⁶

Nevertheless, the government agreed in 1952 to “prohibit, or restrict [by proclamation] ... the importation into the colony of second-hand clothing of any description, including putties, hats, and caps and second-hand blankets, mattresses and sheets intended for sale and any articles manufactured or made up from second-hand clothing, blankets, mattresses or sheets”.²⁷

This failed to put the matter to rest, however. As the following year began, various groups interested in the textile industry continued to debate the issue. While organised commerce felt that no restrictions should be imposed, representatives of the textile industry considered that unrestricted trade in second-hand clothing would be detrimental to local

second-hand clothing, the import of which will not be detrimental to the Clothing Industry – Military Overcoats, Military Rain Coats, Military Lumber Jackets”, *Ibid.*

25. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Secretary, The Rhodesia Federated Chambers of Commerce to the Secretary, Department of Trade and Industrial Development, 29 February 1952.
26. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Secretary, The Rhodesia Federated Chambers of Commerce to the Secretary, Department of Trade and Industrial Development, 29 February 1952.
27. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Southern Rhodesia Act, Amendment to the Customs and Excise Management Act [Chapter 136] and Customs and Excise Tariff Act [Chapter 137], Number 46 of 1952 – Clause 9A(1).

manufacture. To resolve these differences, the Minister of Trade and Industrial Development called a meeting in January 1953. Speaking for the Salisbury Chamber of Commerce, H.A. Krikler argued that merchants were not opposed to industrialists on this matter for the sake of it, but rather considered that there should be as little interference with trade as possible. He did, however, concede that commerce was divided over the matter. This was confirmed by W.L. Hartley of the Wholesalers Association, who admitted that merchants in Matabeleland were more in favour of unrestricted imports than their Mashonaland counterparts, “probably because of the scale of their re-export trade with Bechuanaland and Northern Rhodesia. In his experience, the trade was mostly on worsted civilian and woollen military clothing. He suggested that if drills were prohibited this compromise might satisfy the manufacturers”.²⁸

Torn between its duty to “ensure that the lower income classes, particularly the natives, be given an opportunity of purchasing cheaply”, and its desire “at the same time ... to protect the home industry”, the government prevaricated. It was decided that the various associations’ views had to be solicited before any action could be taken. For the moment, all on which could be agreed, was that the public health aspect had to be covered adequately; otherwise it would be “advisable to do without second hand clothing [rather] than to run the possible risk of an epidemic”.²⁹ Within a week however, the greater weight of the secondary industrial sector prevailed. Assisted by the Federation of Industries to recognise the inevitable, and weakened by their own divisions, the colony’s clothing retailers and wholesalers both agreed that second-hand clothing imports should be banned, apart from certain kinds of military and civilian overcoats, raincoats, battledress tops, and sports and lumber jackets.³⁰

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28. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Notes of a meeting held in the conference room division of Trade and Industrial Development, at 2.30 pm on 26 January 1953 to discuss the importation of second-hand clothing; W.J. Barber, *The Economy of British Central Africa* (Oxford University Press, London, 1961), p 143.
 29. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Notes of a meeting held in the conference room, division of Trade and Industrial Development on 26 January 1953 to discuss the importation of second-hand clothing.
 30. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Secretary, National Co-ordinating Council of the Cloth Industry for Southern Rhodesia, to Secretary, Department of Trade and Industrial Development, 6 March 1953; Barber, *The Economy of British Central Africa*, p 143.

Still the subject refused to die. With Federation looming on the near horizon, it was considered necessary to ascertain how Northern Rhodesia (now Zambia) and Nyasaland (now Malawi) dealt with the matter. Nyasaland's authorities reported that second-hand clothes from Sterling areas were allowed into the country subject to a fumigation certificate, but that second-hand clothes from non-Sterling areas were not normally permitted. The Northern Rhodesian government responded that, while there were no restrictions on second-hand clothing of Sterling origin, imports from non-Sterling areas were completely prohibited.³¹ In the light of this information, the Federated Chambers of Commerce felt that any changes in regulations governing the importation of second-hand clothing into Southern Rhodesia, would be premature, given the fact that customs regulations would be a Federal responsibility. The matter, it suggested, should be held over "until the Federation has been finalised".³² It then emerged that exporters of second-hand clothing in the United Kingdom were unhappy with the restrictions being proposed in Southern Rhodesia, and they petitioned London to intervene on their behalf. As a result, Britain's Trade Commissioner wrote to the Rhodesian Trade Secretary to point out that the "Chambers of Commerce and Trade Associations in the United Kingdom are perturbed by the suggestion that it may be necessary for you to restrict imports of second hand clothing ... They maintain that they have at all times observed the [health] regulations scrupulously. I should be grateful, therefore, if you would place on record the formal interest of the Board of Trade in this subject".³³

Attempting to placate all parties, the new Federal Controller of Customs and Excise predictably satisfied no-one. In January 1954, he recommended that "the best way to control the importation of second hand clothing was to prohibit the importation of all second-hand clothing

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31. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: H. Bleasdale, "Imports and Exports Control Officer, Nyasaland to Division of Trade and Industrial Development, Southern Rhodesia, 6th May 1953" & T.D. Wagner, Northern Rhodesia Department of Trade, Transport and Industry to Secretary for Trade and Industrial Development, Southern Rhodesia, 1 July 1953.
 32. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Secretary, The Rhodesia Federated Chambers of Commerce, to Secretary, Division of Trade and Industrial Development, 1 April 1953. This was, apparently, a stalling strategy mostly by the Matabeleland Wholesalers who were opposed to any prohibition.
 33. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: H.W. Woodruff, UK Trade Commissioner to Secretary, Division of Trade and Industrial Development, SR, 24 October 1953.

for sale except in terms of a permit issued by [Department of Trade and Industrial Development]”.³⁴ All this served to do, was to stir up renewed opposition from the textile industry. The annual report of the Mashonaland Clothing Manufacturers’ Association of the end of 1954 noted that the industry:

... would welcome the complete abolition of second-hand clothing and it sought protection by the imposition of duty on imported ready-made clothing where such purchases conflicted with similar products manufactured locally ... [with regard to] dumping, it was hoped that the Government would do something to combat this threat to the industry – especially goods emanating from India and Hong Kong.³⁵

There, thankfully, the matter rested.

In addition to insisting on the exclusion of certain goods, Southern Rhodesia’s textile manufacturers never ceased to demand tariff protection against foreign competition. This matter was raised time and again in the post-war period. The official position was defined in 1949 when the government’s Tariff Advisory Committee explained that “where an industry was able to satisfy the government that competition from goods manufactured in other countries was endangering its market, steps would be taken to afford protection by customs duty”. At the same time, the industry had to be “one for which Southern Rhodesia offers natural advantages and one which there was every reason to suppose would be able to meet the competition of the imported final product after it had become fully established and developed”. There also had to be a “sizeable internal market for its products”. All other things being equal, preference would only be given to industries “utilising raw materials rather than imported semi-manufactured materials”, and where the protective duty was “not higher than was necessary to enable a reasonably efficient domestic producer to dispose of his output in the home market for a fair return”. The Committee stressed that “the weapon of protective duties should be used with extreme care and only in cases which are particularly desirable from the point of view of the community. In all cases, the onus should be on the industry to prove that such assistance is

34. NAZ: F295/51/28/51, Import Control: Second Hand Clothing, 5 November 1951 to 18 January 1954: Controller of Customs and Excise to Secretary for Trade and Industrial Development, 8 January 1954.

35. NAZ: F292/14/18, Mashonaland Clothing Manufacturers Association: Draft Report of Chairman of Mashonaland Clothing Manufacturers Association for Year Ending 30 September 1954.

needed”.³⁶ Consequently, the government was generally shy in providing tariff protection for the textile industry. Indeed, the Board, in boasting the notable growth of the cotton textile industry in the country under its leadership, emphasised that “the cotton textile industry has developed so far without any protective tariffs on imported cotton yarns for processing, which is a common practice in countries commencing new industries”.³⁷

This raised the ire of the industry from time to time, particularly since there appeared to be general consumer preference for imported products at the expense of locally produced textile goods. Although a government memorandum to the Mashonaland Clothing Manufacturers Association acknowledged the problem, it however declined to take any steps to deal with it. “We have within the Federation some seven million people. They are all actual or potential customers for your industry”, wrote the official concerned. “I should, perhaps, refer to the popular prejudice, regrettably widespread amongst the people of this country, in favour of imported products. This, of course, applies to purchasers of higher quality products. Your industry is, of course, not alone in facing this problem; it affects many others amongst our industries”.³⁸ At the other end of the country, the Bulawayo Clothing Factory reported how consumer prejudice against locally produced clothing obliged it to market its clothes for men and boys under the name “Charter”, without revealing that they were designed and manufactured in Bulawayo. According to the Company’s Managing Director,

We have deliberately withheld the words “Rhodesia”, “Bulawayo” and “Bulawayo Clothing Factory” from our advertising and sales promotion. The reason is certainly not that we are ashamed of the association. *When we decided, two and half years ago, to manufacture top quality clothes here, we encountered an enormous amount of prejudice and sales resistance to clothes made in Rhodesia* [italics in the original].³⁹

Not surprisingly, therefore, a meeting of the Central African Textile Manufacturers’ Association (CATMA) in October 1956,

36. NAZ: S482/34/48, Government policy towards assisting development industries in Southern Rhodesia.

37. NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31 March 1950”.

38. NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31 March 1950”.

39. Bulawayo Clothing Factory Limited, *Charter Clothes: The Story of a Successful Rhodesian Industry* (BCF Limited, Bulawayo, 1958).

complained about competition from textile products from Hong Kong, India and the United Kingdom. These imports, so it was claimed, were undermining sales of locally produced cloth and threatening to ruin local companies, particularly since the imported cloth was made from better quality yarn and was being sold at prices with which local producers could not compete.⁴⁰ Similar anxiety was expressed elsewhere in the industry. A spokesman for the Rhodesian Jute Industry reported that his Association wanted a general review of the protection afforded the textile industry to be carried out by the government in consultation with the industry as urgently as possible, preferably within a month. He also emphasised that his industry “would regard any relaxation of present import controls on cloth as being seriously prejudicial to its interests”.⁴¹

These were however not voices which the Federal government chose to hear. Two years later, the industry was still complaining about the lack of tariff protection. In June 1958, CATMA’s President bitterly complained to the Federal Minister of Commerce and Industry that due to low sales, several factories had been forced to retrench staff, and would have to lay off more workers in the near future, unless the government came to the rescue of the textile industry. CATMA charged that the Federal government was lagging behind all other Commonwealth countries in providing protection for textile factories. Demanding that “most definite steps be taken immediately by Government to safeguard the existence of this vital industry”, CATMA threatened to go public with its concerns. If Salisbury was worried by the prospect of adverse publicity, no record survives of it. Certainly, nothing was done to meet the textile industry’s immediate concerns.⁴² Undeterred, the Central African Textile Manufacturers’ Association a few months later again drew the attention of the government and the public to the perilous position in which the textile industry now found itself due to unfair competition from outside the borders. It called upon the government to take drastic and immediate action to prevent the collapse or partial

40. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: Meeting with the Central African Textile Manufacturers’ Association, 29 October 1956.

41. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: Meeting with the Central African Textile Manufacturers’ Association, 29 October 1956.

42. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: De Haas to The Minister, Federal Ministry of Commerce and Industry, 30 June 1958. True to his threat, De Haas published the letter on 3 July 1957, but after further consultation with the Minister agreed to “issue a new press statement withdrawing the allegations made in the statement that appeared in this morning’s ‘Rhodesia Herald’”, *Ibid.*

collapse of the industry and resultant wide-spread unemployment among both Europeans and Africans.⁴³

This time, the government did respond, but only to remind the Association that a great deal had already been done to promote the local textile industry. Government assistance had indeed included tariff protection, so much so that, with the exception of South Africa, no other country south of the Sahara had succeeded in developing a textile industry of the magnitude found in the Federation.⁴⁴ The textile industry was reminded that it could not expect a “policy of ‘shut out’ duties merely because an article is produced locally ... [as] the interest of the general economy of the country, including the consumer, must also be taken into account”.⁴⁵

Complaints about the lack of protection continued well into 1962. At the end of March 1962, Gatooma Textiles Limited’s annual report insisted that the sharp fall in domestic demand for textile goods since the end of 1961 had been “aggravated by the fact that Government has not taken adequate steps to protect the local industry against imports of cheap cloths from other sources”.⁴⁶ Nor did the next budget do anything to change the textile industry’s gloomy outlook. “The Federal Budget certainly strengthened the impression that the Government does not see much future for secondary industry here”, lamented the *Rhodesian Recorder* in July 1962. “The budget speech reflected the same unimaginative approach which has held development back for more than two decades”.⁴⁷ Yet within two months, both the Federal Government and sections of the textile industry had changed their tune. In September 1962, some tariffs were raised as part of a new policy designed to restore confidence in an economy increasingly battered by political uncertainty. “Reaction of most textile men to date is that they are delighted that the Government has at last taken such positive measures to assist local industry”, reported CATMA’s official newsletter.

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43. NAZ: F292/14/2, Textile Manufacturers’ Association: 23 October 1956 to 22 June 1960: J. Henly of Central African Textile Manufacturers’ Association to F.S. Owen, Minister of Commerce and Industry, 6 August 1958.
 44. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: The Secretary for the Minister. The Undersecretary. “Notes for Minister’s Address to CATMA, 5 August 1958”.
 45. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: The Secretary for the Minister. The Undersecretary. “Notes for Minister’s Address to CATMA, 5 August 1958”.
 46. Gatooma Textiles Limited, *Balance Sheet at 31 March 1962 and Profit and Loss Account*, (Gatooma Textiles, Salisbury, 1962).
 47. *Rhodesian Recorder*, July 1962.

“The assistance accorded will directly stimulate the business of many of the country’s mills, the towel weavers and knitters in particular”. Other parts of the industry, especially “the spinners and the plain weavers”, were less easily satisfied. They thought that the assistance given was “not sufficient to be really effective”,⁴⁸ and indeed this was precisely the attitude subsequently adopted by Gatooma Textiles. The “measure of import control ... to assist the industry”, the company declared, was “too limited in its extent and came too late in the year to give any appreciable improvement to sales”.⁴⁹

It was only after the Southern Rhodesian territorial government took over the regulation of the country’s secondary industrial sector after the breakup of the Federation at the end of 1963, that more protective measures were put into place. According to Gatooma Textiles Limited, whose annual reports can be taken as templates for a significant section of the textile industry, this marked a decisive shift in policy. By March 1964,

... the Southern Rhodesia Government ... [having taken] over responsibility for customs tariffs, ... granted the weaving industry increased protection on the lines which had been sought by the industry from the Federal Government for many months previously.

Never one to let a grievance go unaided, the company then proceeded to complain about the persistence of consumer prejudice against local products. It did, however, concede that the “increased tariffs on the imported product were of inestimable assistance”.⁵⁰

When defending themselves against charges by the textile manufacturing industry that they were not doing enough to protect local manufacturers, successive governments pointed not only to what had been accomplished in setting up the spinning mills at Gatooma in the first place, but also to other measures that had helped the industry. By far the most important of these were tariff preferences enjoyed by Southern Rhodesian manufacturers in the South African market, achieved through successive trade agreements with Salisbury’s giant neighbour. Of these agreements, pride of place went to the Customs Union (Interim)

48. *Rhodesian Recorder*, September 1962.

49. Gatooma Textiles Limited, *Balance Sheet 31st March 1963 and Profit and Loss Account*, (Gatooma Textiles, Salisbury, 1963).

50. Gatooma Textiles Limited, *Balance Sheet at 31 March 1964 and Profit and Loss Account*, (Gatooma Textiles, Salisbury, 1964).

Agreement which came into operation on 1 April 1949.⁵¹ Granted duty-free access to the huge South African market, the Southern Rhodesian textile industry enjoyed boom conditions. Total textile and clothing exports in 1948, the last full year before this agreement came into operation, amounted to a modest £65 000. In 1949, they reached £988 000; in 1950 £2 million; and in 1953 over £4 million.⁵² This mushroom growth was however much less the consequence of substantial industrial expansion than it was the result of very particular circumstances. Soon after India became independent in 1947, her government placed an embargo on direct trade links with South Africa in protest against the latter's discriminatory racial policies. However, there was nothing to prevent this trade, much of which was textiles, from being re-routed through Southern Rhodesia once South African barriers at the Limpopo were lifted by the Customs Agreement. In 1950 alone, the number of textile and clothing factories in Southern Rhodesia almost doubled, "most of them processing piece goods of Indian origin for re-export to South Africa".⁵³

Entirely predictably, this development aroused strong opposition from the South African textile industry. Repeated complaints were made to the South African Department of Commerce and Industry from 1951 onwards.⁵⁴ Initially, the complaints were not successful. With its gaze fixed on the bigger picture, the South African Government at first seemed content to relinquish the fringes of the light consumer goods sector to Southern Rhodesian suppliers in return for bigger duty-free markets for South African enterprises higher up the industrial ladder, but as the scale of the problem became clearer, so official attitudes towards the Customs Agreement began to change. By late 1954, the South African Cotton

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51. For discussion of the agreement as a whole, and its wider implications, see: I. Phimister, "Secondary Industrialisation in Southern Africa: the 1948 Customs Agreement between Southern Rhodesia and South Africa", *Journal of Southern African Studies*, 17, 3, 1991.
 52. A.G. Irvine, *The Balance of Payments of Rhodesia and Nyasaland 1945-1954* (Oxford University Press, London 1959), p 328; *Commerce*, June 1952.
 53. Barber, *The Economy of British Central Africa*, p 143.
 54. For representative examples, see: National Archives of South Africa (hereafter NASA), Pretoria: HEN 710/1, Volume 8, Secretary, National Co-ordinating Council for the Clothing Industry of South Africa to the Minister of Economic Affairs, 23 August 1951; NASA: HEN 710/1, Volume 16, South African Federated Chamber of Industries, Central Economic Affairs Committee, Points for discussion with Mr De Waal Meyer, Secretary for Commerce and Industries, 25 November 1953. See also: F. Cronje, "The Textile Industry in the Union of South Africa", *South African Journal of Economics*, 20, 1952, pp 23-30.

Textile Manufacturers Association was “only operating at about 50 per cent capacity ... because of the unfair competitive position of the Union [of South Africa] Clothing Manufacturers *vis-a-vis* their Southern Rhodesian counterparts”. “The Union’s Clothing Industry cannot take up the quantity of cloths it would normally take from the local Textile Industry”, claimed the Association’s Secretary, “as those clothing manufacturers using local materials are slowly being squeezed out by their Rhodesian competitors due to the latter being able to import such materials free of duty and at ‘dumping prices’ from overseas territories, particularly the ‘low-wage’ countries”.⁵⁵

What this meant for the South African textile industry was that, while it was protected by tariff duties from overseas competition, “the back-door via the Rhodesia clothing industry is still wide open”. Compounding the problem, was the fact that the spinning mill at Gatooma “is a Government subsidised concern, being entitled to a total exemption from Income Tax, and furthermore enjoying the advantage of being the sole privileged buyer of all local cotton at prices fixed by the Government, ... [placing] spinners and weavers in the Union at a distinct disadvantage as the latter do not enjoy any of these privileges”. The position of South African textile manufacturers could not be sustained for very much longer, the Association warned. As the Customs Agreement with Southern Rhodesia was coming up for review, this was the moment to insist on change. “Unless immediate steps are taken to bring the Customs Tariff structures of the two countries, as regards the textile and certain sections of the clothing industries, into alignment or on a proper equitable basis”, the Association claimed, “it can only foresee the further development of the Rhodesia textile and clothing industry at the expense of the local textile and clothing industry and the disappearance in the near future of a very large section of the Union’s spinning and weaving industry”.⁵⁶

For all that they realised that the South African textile industry was doubtless exaggerating the dangers it faced, the authorities in Pretoria were now more inclined than in the recent past to react sympathetically. For some time, South African customs officials had been periodically charging duty on goods which they estimated had less than 25 per cent

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55. NASA: HEN 710/1, Volume 16, Secretary, The South African Cotton Textile Manufacturers’ Association to The Secretary, Department of Commerce and Industries, 12 October 1954.
56. NASA: HEN 710/1, Volume 16, Secretary, The South African Cotton Textile Manufacturers’ Association to The Secretary, Department of Commerce and Industries, 12 October 1954.

Southern Rhodesian content, and while the former territorial government had complained loudly about this,⁵⁷ similar objections were not voiced by the Federal administration once it took up the reins. The new dispensation in Salisbury was not impressed by the “artificial nature” of sections of the Southern Rhodesian textile and clothing industry. With the stage set for a compromise at the expense of the least substantial sections of the Southern Rhodesian textile and clothing industry, the ensuing customs agreement of 1955 saw duty-free access to the South African market confined to products made up of at least 75 per cent of Federal labour and/or raw materials. Anything less than that was charged duty on a rising scale, with the same principle applied to South African exports to the Federation. From the Federal government’s point of view, by limiting Pretoria’s duty-free access to Federal markets, the revised agreement would reduce competition from South African manufacturers even as it gave protection to industry on a selective basis.⁵⁸ Much to the disappointment of the local textile and clothing industry, it was not singled out for any special treatment.

Nor did the textile and clothing industry’s official prospects improve much over the next four to five years. On the contrary, part of the industry even lost the market which it had previously enjoyed in South Africa. There were several reasons for this, but paradoxically, they partly turned on the Federal government’s gradual shift towards more protection for secondary industry. After the dramatic fall in the price of copper at the end of 1956, the Federal authorities initiated a credit squeeze in order to limit imports. They also acknowledged “the urgent need to diversify the country’s economy and make it less dependent upon copper”.⁵⁹ It was against this background that a new trade agreement was signed with South Africa in 1960. Although South Africa would still receive preferential tariff treatment from the Federation, the new rates were between ten and twenty per cent higher than the old ones. In return, Federal products were accorded a most favoured nation rate by South Africa. There were, however, exceptions, prominent amongst which were textiles and clothing, whose concessionary rates were not as low as those previously obtained. While the public justification for the terms of the new agreement was that they would provide “a substantial stimulus for the development of local industries catering for the Federal market in competition with their more highly developed counterparts in

57. *Rhodesia Herald*, 9 July 1953. See also: NASA: HEN 710/1, Volume 16, Louw to Winterton, 11 August 1953.

58. R. Cole, “The Tariff Policy of Rhodesia, 1899-1963”, *Rhodesian Journal of Economics*, 2, 1968, pp 20-42.

59. *Commerce and Industry*, February 1960.

South Africa”,⁶⁰ the unacknowledged purpose of the new agreement was to limit expensive imports from the South. If exports of cheap items to South Africa suffered in consequence of the *quid pro quo*, then so be it.

In the event, much of the price of the new policy was indeed paid by the Southern Rhodesian textile and clothing industry. Although some parts of the clothing industry successfully switched to a higher quality range of outer garments and shirts for the South African market, other sections of the industry suffered losses. A spokesman for David Whitehead Limited observed that the new agreement had been a “severe blow to the Federal spinning and weaving industry, ... [at a cost of] approximately £300 000 per annum to them [in exports]”, even as they faced competition on their home ground. There were many such complaints. The Twine & Cordage Manufacturing Company estimated that it had lost 20 per cent of its market because of the new customs agreement with South Africa.⁶¹ Overall losses were high, as official figures later made clear. The Federal Government’s own *Economic Report* subsequently accepted that the brunt of the new agreement had been borne by the textile industry. It noted that the negative impact of the agreement had been aggravated by the closure of “a valuable market to our weaving industry, since at that stage some businesses were relying upon South African customers to take as much as one-third of their products”.⁶²

From Government Enterprise to Private Capital

A central strand running through the history of the textile industry in Southern Rhodesia is the question of whether the industry should have continued to operate as a State enterprise, or whether it should have been sold off to private enterprise as soon as an opportunity presented itself. Although the government’s policy was that the State would only invest in those industries which were not immediately attractive to private enterprise and run them until private capital was ready to take over, differences of opinion soon appeared between some government officials, members of the CRIB, and the manufacturing associations.

60. Federation of Rhodesia and Nyasaland, *Economic Report, 1961* (Government Printer, Salisbury, 1961), p 8.

61. NAZ: F292/14/2, Textile Manufacturers’ Association, 23 October 1956 to 22 June 1960: Minutes of a Meeting held with Representatives of the Central African Textile Manufacturers’ Association, 5 July 1960.

62. Federation of Rhodesia and Nyasaland, *Economic Report, 1962* (Government Printer, Salisbury, 1962), p 11.

Differences among these groups first surfaced in 1946, when private investors indicated their willingness to set up independent spinning mills in Bulawayo. This provoked a flurry of discussion and correspondence between government ministries and the Board. The debate began with a letter from the Under-Secretary of the Department of Agriculture and Lands to the Department of Commerce on 5 November 1946, stating:

I have been directed by the Ministry of Agriculture and Lands to approach you in regard to certain gentlemen who are endeavouring to open a spinning factory in Bulawayo and I gather that negotiations were taking place with the Municipality. The Minister is very anxious to stop them opening this factory if it is at all possible and he has requested me to approach you for your views on this subject.⁶³

Responding to a query from the Department of Commerce and Industries on the position of the Industrial Development Commission on this issue, its chairman, Godfrey Musgrave, admitted that there was no law against anyone wishing to set up a spinning factory from doing so. Not that there was much point in doing so, he added, given the fact that the government spinning mill was not able to cater fully for the market in yarn, both in terms of quantity and the range of yarn types (counts). This meant that manufacturers had to import yarn, making the production of finished products more expensive than if they were allowed to spin their own yarn locally. The country's knitting and weaving industries were clearly at a disadvantage. Musgrave argued that if the government wanted to maintain the Board's monopoly over the production of yarn, then the Board had to "furnish the local industries with all the yarn they want in the form in which they require it, at a price which is equal to or competitive with imported yarn". Unless these requirements were fully met, he continued, "the monopoly cannot be justified and sooner or later public opinion will destroy it".⁶⁴

Musgrave's views notwithstanding, a subsequent meeting of the Board unanimously endorsed its opposition to the establishment of private spinning mills, as "exploitation would inevitably follow if other

63. NAZ: F352/15/8, CRIB: Minutes: Acting Under-Secretary, Department of Agriculture and Lands to Acting Secretary, Department of Commerce and Industries, 5 November 1946.

64. NAZ: F352/15/8, CRIB: Minutes: Geoffrey Musgrave, Chairman, Industrial Development Commission to Acting Secretary, Department of Commerce and Industry, 8 November 1946.

firms were allowed to install spinning plants”.⁶⁵ The Board remained adamant that there was “no room for two spinning concerns in this Colony”, and that the government should not hand over the Gatooma spinning mills to private individuals, as this would be “presenting those individuals with a virtual monopoly of the cotton textile industry and at the same time doing a complete ‘about turn’ in policy, as expressed by the Minister of Finance in 1942”.⁶⁶ The Board further observed that it:

... would appear, therefore, that the Board has justified its existence so far, and has faithfully carried out its function of assisting the development of the Cotton industry in the Colony, and that any departure from the Government policy laid down in 1942 would have serious repercussions throughout the Colony.⁶⁷

The irony of the Board’s position in maintaining its monopoly over cotton spinning is that it contradicted the very basis of government policy concerning the development of manufacturing in the country. From the very beginning, the government had insisted that it would only assist and not displace private enterprise. It would temporarily run those industries which did not immediately attract the attention and interest of private enterprise, but only until such a time as private capital was ready and able to take over. It was the Board’s position, therefore, which represented the complete “turn about” of policy, not the State’s willingness to hand over the Gatooma mills to private enterprise.

Despite the Board’s opposition, the matter resurfaced. In April 1947, the Minister of Commerce and Industries convened a meeting with Musgrave, Chairman of the Industrial Development Commission; G.S. Cameron, Chairman of the CRIB; and others to consider whether the Gatooma spinning mills “should remain entirely a State enterprise or whether the industry should not be sold or, alternatively, a partnership should be entered into between the State and a large manufacturing concern”.⁶⁸ Musgrave, a staunch supporter of State ownership of the Railways, Iron and Steel, and Electricity, stated that he regarded the

65. NAZ: F352/15/8, CRIB: Minutes: Geoffrey Musgrave, Chairman, Industrial Development Commission to Acting Secretary, Department of Commerce and Industry, 8 November 1946.

66. NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31st March 1950”.

67. NAZ: F296/23/2/4/49, CRIB, “Fourteenth Annual Report: For the Year Ended 31st March 1950”.

68. NAZ: F296/23/2/4/49, CRIB, 28 April 1949 to 30 December 1953: Memorandum of sale of Gatooma Mills by G.S. Cameron, Chairman, CRIB.

textile industry as a “border-line” case which should be developed by a big private manufacturing concern from overseas, “either by itself or in co-operation with the Government”.⁶⁹ Cameron objected to this because, in his view, Southern Rhodesia was not big enough to require more than one spinning concern to meet the needs of local industry and any concern large enough to take over the Gatooma mills was likely to “squeeze out existing manufacturers”. He added that:

... by selling out the Cotton Spinning Mills, the Government would be parting with an industry which it has built by its own enterprise, after demonstrating that Southern Rhodesia can spin medium-counts cotton yarns as well as other countries, that it can be done economically and at a profit, without having to resort to preferential tariffs, quotas or controls of any kind.

In the discussion that followed his statement, Cameron insisted that no single group or corporation should be allowed to enter a partnership with the government on an equal basis and that, should selling the mills become inevitable, “great care must be taken to see that it does not get into the control of any one powerful organisation”.⁷⁰

The issue of the sale of the Gatooma spinning mills was then shelved until 1955, when complaints about the quality of the yarn produced began to mount. The yarn apparently was so poor, that it was causing lowered “efficiency and a consequent increase in cost and inevitably inferior quality cloth with resultant dissatisfied customers”. It was alleged that there were no arrangements for “regularly scientifically assessing cotton fibre quality so that management can be certain before mixings or cotton purchases are made that quality standards will be rigidly maintained”. Because of this and the inability of the mills to cater “for the varied requirements of a large number of firms”, it was recommended that the authorities should consider allowing “private enterprise to take care of any future expansion by the establishment of vertical concerns”. This solution was preferable to “selling the CIB mill to private enterprise”.⁷¹

69. NAZ: F296/23/2/4/49, CRIB, 28 April 1949 to 30 December 1953: Memorandum of sale of Gatooma Mills by G.S. Cameron, Chairman, CRIB.

70. NAZ: F296/23/2/4/49, CRIB, 28 April 1949 to 30 December 1953: Memorandum of sale of Gatooma Mills by G.S. Cameron, Chairman, CRIB.

71. NAZ: F292/14/2, Textile Manufacturers' Association, 23 October 1956 to 22 June 1960: Cotton Industry Working Party, *Report*, 19 June 1956 (Chairman: T. S. Bell – Ministry of Commerce and Industry), Appendix 1 - Allan Draper, “Report on the Cotton Textile Industry in the Federation of Rhodesia and Nyasaland”, 21 January 1956.

The government responded to such calls by setting up the Cotton Industry Working Party in 1955, whose terms of reference were to:

- a. Examine and report on the adequacy of raw cotton production in the Federation and to recommend steps to be taken towards meeting any shortfall;
- b. Examine and report on the adequacy of the facilities for the production of yarn – to recommend what steps should be taken to meet any shortfall, what part should be played by private enterprise in any substantial expansion of spinning capacity, and the action to be taken by the government to interest private enterprise in such a project;
- c. Examine the present arrangements for marketing cotton produced in the Federation and to advise whether any improvement or modification is desirable.⁷²

In its report, the Cotton Working Party noted that the Board owned the only cotton spinning mills in the Federation, consisting of two units of 17 500 spindles each and an absorbent cotton wool factory, all situated in Gatooma. Yarns were produced for local consumption and for export. The report then moved on to address the issue of whether the government should continue to run the spinning mills or whether this responsibility should now be handed over to private enterprise.

The Working Party observed that the State had entered the spinning industry “not because this was thought to be essentially a Government function, but rather because private enterprise had not itself provided the spinning capacity which was considered necessary”. Given the fact that Salisbury had entered the industry essentially as a stop-gap measure, “it follows that Government should take the earliest opportunity of allowing private enterprise to undertake spinning in the Federation”. The report pointed out that, while there were no legal restrictions preventing private companies from entering the spinning business, it was unrealistic to expect this to happen in a situation in which such companies would have to compete with Government spinning mills. It recommended, therefore, that:

72 NAZ: F292/14/2, Textile Manufacturers' Association, 23 October 1956 to 22 June 1960: Cotton Industry Working Party, *Report*, 19 June 1956 (Chairman: T. S. Bell – Ministry of Commerce and Industry), Appendix 1 - Allan Draper, “Report on the Cotton Textile Industry in the Federation of Rhodesia and Nyasaland”, 21 January 1956.

- a. Future expansion of the spinning industry should be carried out by private enterprise;
- b. No further expansion should take place in the Cotton Industries Board's mills;
- c. The Cotton Industries Board's mills should be disposed of to a private purchaser at the earliest suitable opportunity; and
- d. The consumers of the yarn from the mills should be consulted before the mills were sold, as many of them had undertaken textile manufacturing under the solid belief that their yarn would always be supplied by government-owned mills.⁷³

In early 1957, on the basis of the recommendations of the Working Party, the government decided to sell the spinning mills and other assets of the Board. It was keen to transfer the industry to private capital in line with its earlier policy undertaking and in the firm belief that the growth of the industry was best promoted by private enterprise, provided that adequate safeguards were in place to protect the interests of the Federation's textile industry.⁷⁴

At a meeting in June 1957, the Central African Textile Manufacturing Association (CATMA) deliberated the possibility of the sale of the spinning mills and resolved to ask the authorities in Salisbury to incorporate a number of safeguards in any negotiations for sale to private enterprise. These were to include provisions for Government to regulate yarn prices, to ensure that existing quantities, range and quality of yarns were maintained, that the purchasing company should not use the yarn itself or through an associate company, that "Government should have the right to nominate one consumer representative on the Board" and that "in the event of the Mills not being sold outright to private enterprise, all existing consumers in the Federation be offered shareholdings".⁷⁵

73. NAZ: F292/14/2, Textile Manufacturers' Association, 23 October 1956 to 22 June 1960: Cotton Industry Working Party, *Report*, 19 June 1956 (Chairman: T. S. Bell – Ministry of Commerce and Industry), Appendix 1 - Allan Draper, "Report on the Cotton Textile Industry in the Federation of Rhodesia and Nyasaland", 21 January 1956.

74. NAZ: F291/1/4, Cotton Industry Act, 1 May 1959 to 4 October 1963: N.R. Bertram to the Minister, "The Cotton Industries Board" 10 March 1959.

75. NAZ: F292/14/2, Textile Manufacturers' Association: 23 October 1956 to 22 June 1960: Notes on safeguards for the Federal textile industry requested by CATMA in the event of a sale of the Cotton Industries Board's Assets, 14 June 1957.

In April 1958, the Minister of Commerce and Industry and CATMA revisited the safeguards question at a meeting of the Association in Bulawayo. The Minister reminded the meeting that the spinning mills had been started under government enterprise because, at the time, “private enterprise was unwilling and unprepared to take the initiative”. Now that the textile industry was firmly established, the government had taken the decision to sell the spinning mills and “the decision had been taken in the firm belief that the best interests of the textile industry as a whole would be served by the participation of private enterprise in the spinning section of the industry”. He reassured the meeting, however, that the government was “aware of its responsibilities of ensuring that the mills were taken over by a reputable organisation which would concern itself with the development of the textile industry as a whole”, and was, therefore, not going to sell the mills at any price. The meeting concluded by setting up a sub-committee to draw up terms of the safeguards sought by the Association.

Presumably, the sub-committee’s recommendations led to an agreement with the government because in May 1958, the Minister of Commerce and Industry announced that the intending purchasers of the spinning mills and other assets of the Cotton Industries Board (CIB) had agreed with the Federal Government to a number of safeguards “of the interests of users of yarn and cotton waste in the Federation”, which contained all the provisions that CATMA had earlier requested, including the condition that the purchasing company should work closely with Federal manufacturers, taking care that the pricing policy for the yarns it produced did not undermine its customers’ ability to operate profitably in the domestic market and to penetrate “new markets outside the Federation”. These conditions were to “remain in force until adequate qualities, quantities and counts of yarn are produced at competitive prices in the Federation from alternative sources”.⁷⁶

Other conditions had previously been agreed to. In April 1958, the Ministry of Commerce and Industry had ruled that the purchasing company should:

- a. Have a published price list for yarn from which it would not depart in respect of sales to any individual purchaser;

76. NAZ: F292/14/2, Textile Manufacturers’ Association: 23 October 1956 to 22 June 1960; Draft statement from the Ministry of Commerce and Industry, 15 May 1958.

- b. Have a published set of conditions governing the application of any discounts from its yarn prices, those discounts to be available without discrimination to any firm following the conditions governing their application; and
- c. Ensure that the discounts allowed by the company should not be devised so that their application could, in practice, be limited to a single purchaser of yarn, being a shareholder in that company, rather than as a result of any economic benefit accruing to the company by virtue of the assured volume of the purchases of yarn involved.⁷⁷

In the event, the State however found it difficult to offload the cotton mills to the private sector. By the late 1950s, the industry was no longer the thriving sector it had once been. David Whitehead Limited, who had been the government's preferred purchaser, failed to raise enough initial capital to take possession of the mills, leading the government to invite the African Finance Corporation to devise a scheme for purchasing the Board's assets. The scheme provided for the setting up of a local company with a share capital of £600 000 to take over the Board's assets to a sale value of £2 093 000.⁷⁸ David Whitehead Limited, Barclays Bank Development Corporation and the African Finance Corporation all eventually agreed to participate in this scheme, but other big interests that were approached, namely the Anglo-American Corporation, the British South Africa Company, the Rhodesian Selection Trust, Tanganyika Concessions and SAGIT, declined to be involved. In the light of this, the African Finance Corporation withdrew from the scheme. Attempts to interest Lloyds Bank of London also came to naught and the government was forced to postpone plans to sell the Board's assets. When this was eventually carried through, it had to be done at a much-reduced price.⁷⁹

77. NAZ: F292/14/2, Textile Manufacturers' Association: 23 October 1956 to 22 June 1960: Minute Sheet: "Conditions of Sale of the Cotton Industries Board", addressed to Mr. Bell by Ministry of Commerce and Industry, 21 April 1958.

78. NAZ: F291/1/4, Cotton Industry Act, 1 May 1959 to 4 October 1963: N.R. Betram to the Minister, "The Cotton Industries Board", 10 March 1959. This liability would be met as follows:

Assumption of liability for provident fund holiday pay	£ 65 000
25 year 4½ secured loan from Government	£1 100 000
Short term unsecured loan from Government	£ 265 000
Cash or ordinary shares	<u>£ 663 000</u>
Total	<u>£2 093 000</u>

79. NAZ: F291/1/4, Cotton Industry Act, 1 May 1959 to 4 October 1963: N.R. Betram to the Minister, "The Cotton Industries Board", 10 March 1959.

Conclusion

That the origins of colonial Zimbabwe's textile industry could be found in various cotton-growing schemes dating from the 1920s, was well-known, but one surprising finding of this paper was the key role played by the British Cotton Growing Association and latterly the Empire Cotton Growing Corporation. Determined to reduce the British textile industry's dependence on American supplies of cotton, the latter body in particular worked hard to overcome initial government scepticism. These efforts were redoubled during the Great Depression, and, as described above, in 1936 a Cotton Research Industry Board was established with Imperial backing. Fortuitously or otherwise, the success of this scheme left the Southern Rhodesian Government well-placed when the outbreak of the Second World War restricted imports from Britain and overseas generally to initiate a state-controlled cotton-spinning mill. The yarn it produced, made it possible for new textile manufacturing factories to spring up. There seems little doubt, then, that the re-constituted CRIB was the midwife of the textile manufacturing industry in Southern Rhodesia. Based in Gatooma where it operated its two spinning mills and ginneries, a research station and, subsequently, a factory for the manufacture of absorbent cotton wool, the CRIB not only provided research and advisory services to cotton farmers, but also laid the foundations of the country's textile manufacturing industries by producing yarn and making it available to local industries at affordable prices and, in the process, undercutting imported yarn that would have made operational costs prohibitive for nascent local manufacturing establishments.

At first, the textile industry received only limited support in the form of preferential tariffs, but its prospects soared after the 1948 Customs Agreement negotiated with South Africa. This point, too, is reasonably well-established in literature. What is striking on closer inspection, though, is less the textile industry's subsequent mushroom-like growth, than just how contingent it was on an external environment shaped by India's post-1947 prohibition of textile exports to South Africa. Much of this trade was simply re-routed through Southern Rhodesia, where a limited amount of "finishing off" was done in order to comply with the letter of the law so far as the Customs Agreement was concerned. Not only was this development initially a bone of contention between the South African and Southern Rhodesian governments, but it also appears to have influenced the attitude of the Federal authorities after 1953. Contrary to the subject's conventional wisdom, the textile industry was not a major beneficiary of the Federal government's later shift towards protectionism. Suspicious of the

insubstantial nature of large sections of this particular industry, officials repeatedly turned down requests for greater protection. Customs and Excise files from the period are filled with complaints from disappointed textile factory owners in this regard.

While the textile sector continued to grow in the second half of the 1950s, it was no longer as profitable as it had formerly been, especially once regional political uncertainty intensified. Indeed, when the Southern Rhodesian government attempted in 1958 to sell off its cotton-spinning mills, it struggled to find a buyer on the terms originally envisaged. None of the Federation's largest concerns, including the Anglo American Corporation, the British South Africa Company and the Rhodesian Selection Trust, were prepared to participate. Eventually, after an embarrassing delay of eighteen months, a British company, David Whitehead Limited, was induced to purchase the spinning mills at something approaching a knock-down price. With a Unilateral Declaration of Independence looming as a strong possibility from 1963 onwards, the textile industry's future seemed distinctly uncertain. It would clearly be extremely interesting to trace the history of the textile industry from 1965 onwards, not least in the light of one of the conclusions presented here. At a minimum, it invites consideration of the long-term consequences of the relatively precarious position occupied by the textile industry as late as the 1960s. This suggests that the sector's recent tribulations may owe something to weaknesses stemming from that period, quite apart from those induced by the structural adjustment policies followed in the 1990s.

Abstract

This article traces the origins and development of Zimbabwe's textile industry from the early colonial period to 1965, highlighting the role of the British Cotton Growing Association (BCGA) and the Empire Cotton Growing Corporation (ECGC) in helping to establish and promote, first, cotton-growing and, subsequently, the textile manufacturing industry in the country. It analyses the role and impact of the Cotton Research Industry Board (CRIB) from its establishment in 1936 and how, through its efforts, the country's textile industry blossomed in the post-Second World War years, particularly following the signing of the 1948 Customs Agreement between Southern Rhodesia and South Africa and, how, for a variety of reasons, including growing regional political uncertainty, the textile manufacturing industry went into relative decline. As a result, attempts by the government in 1958 to sell its cotton-spinning mills established under the auspices of the CRIB in the town of Gatooma, met lukewarm responses from potential buyers. It was only eighteen months

later that the government was able to sell the mills to a British company, David Whitehead Limited, at an almost give-away price. By the end of the Federation and with Rhodesia's Unilateral Declaration of Independence looming, therefore, the future of the textile manufacturing industry appeared uncertain. The article hopes to encourage further research into the fortunes of the textile industry in the UDI period and beyond, in order to deepen understanding of the role and fate of this sector after Zimbabwe's independence.

Opsomming

Gedeeltelik Beskerm: Die Oorsprong en Groei van Koloniale Zimbabwe se Tekstielbedryf, 1890-1965

Hierdie artikel ondersoek die oorsprong en ontwikkeling van Zimbabwe se tekstielbedryf van die vroeë koloniale periode tot 1965, met klem op die rol wat die British Cotton Growing Association en die Empire Cotton Growing Corporation gespeel het in die totstandkoming en bevordering van katoenverbouing en die tekstielvervaardigingsbedryf in die land. Die rol en invloed van die Cotton Research Industry Board (CRIB) sedert die ontstaan daarvan in 1936 word geanaliseer, asook hoe die land se tekstielbedryf deur dié organisasie se insette in die jare na die Tweede Wêreldoorlog gedy het, veral nadat die Doeane Ooreenkoms van 1948 tussen Suid-Rhodesië en Suid-Afrika onderteken is. Dit ondersoek ook hoe dié bedryf om verskeie redes, insluitend die toenemende politiese onsekerheid in die streek, begin agteruitgaan het. Gevolglik is pogings van die Staat in 1958 om sy katoenspinmeule (wat onder die leiding van die CRIB in Gatooma tot stand gebring is) van die hand te sit, met louwarm belangstelling deur potensiële kopers begroet. Eers agtien maande later het die Staat die meule teen 'n bykans weggee-prys aan 'n Britse maatskappy, David Whitehead Limited, verkoop. Teen die einde van die Federasie en op die vooraand van Rhodesië se Eensydige Onafhanklikheidsverklaring, het die toekoms van die tekstielvervaardigingsbedryf dus onseker gelyk. Hierdie artikel hoop om verdere navorsing oor die wel en weë van dié bedryf tydens die EOV-tydperk en daarna te stimuleer, ten einde insig in die rol en lotgevalle van dié sektor na Zimbabwe se onafhanklikheidswording te bevorder.

Key words

Customs; federation; Gatooma; industry; protectionism; Rhodesia; South Africa; Southern Rhodesia; tariffs; textile; Zimbabwe.

Slutelwoorde

Doeane; federasie; Gatooma; nywerheid; proteksionisme; Rhodesië; Suid-Afrika; Suid-Rhodesië; tariewe; tekstiele; Zimbabwe.