

# Zambia Still Being Robbed

ALMOST to the last minute before Zambia's independence the British South Africa Company held out desperately to extract the maximum sum as compensation for being deprived of its copper royalties. The determination of President Kaunda and the Zambia Cabinet, together with the election defeat of the Tories in Britain, made it difficult for the company to stick to its original demands.

The company's demands for £20 million compensation were gradually forced downwards—first to £18 million, then to £15 million, then to £12 million. The latest estimate was £5 million.

Zambia offered a token payment of £2 million to buy out the company's alleged claim to royalties and declared that it was the responsibility of the British Government to find the remainder. The Tory Government refused to pay anything, but promised "to help to secure an agreement with the company for the transfer of mineral royalties before Independence Day".

Lord Dilhorne, the Lord Chancellor, put the Tory views in blunt terms in his talks with Mr. A. N. L. Wina, Zambia's Finance Minister, early in October:

*"The British Government strongly repudiated the allegation of misconduct on the part of former British Governments, and rejected the suggestion that it was their responsibility to provide compensation for the company."*

On the eve of Independence Day the Labour Government entirely changed the situation by agreeing to pay £2 million, thus making a total of £4 million as "compensation" for the B.S.A.C.'s, alleged mineral rights in Zambia. Thus ends one aspect of a process of robbery which has enabled the B.S.A.C. to grab £130 million in mineral royalties, and was expecting to receive over £200 million more up to 1986.

## HOW THE ROBBERY STARTED

The origin and record of the B.S.A.C., is one which needs to be known and understood by all Africans. For although its mineral royalty "rights" in Zambia are ended, the B.S.A.C. still goes on with its exploitation, in Zambia, Rhodesia, Congo, South Africa and elsewhere. When white settler minority rule is ended in Rhodesia and it becomes Zimbabwe, under African majority rule, the battle to end its domination will be even sharper.

For 75 years the B.S.A.C. has been an instrument of British imperialism in Southern Africa. Created by Cecil Rhodes, the great Empire builder (from whom Rhodesia derived its name), it acquired its royal charter from Queen Victoria in October, 1889, and has since been commonly known as the Charter. It virtually ruled Nyasaland (now Malawi), until it became a British "protectorate" in 1891. It was the governing body in Southern Rhodesia until the formation of the first Legislative Council in 1903, and was still the main political influence until it became a "self-governing" colony in 1923. It ruled Northern Rhodesia (now Zambia) for 34 years, until it became a British "protectorate" in 1924. British official history has always done its utmost to hide its shameful origin behind a curtain of glamour and adventure. Charter's insignia depicting African animals and ships sailing the ocean, has the motto: "Justice, Freedom, Commerce". Recent Charter illustrated advertisements in British journals depict Rudd's first meeting with Lobengula and tells the story in these words.

**BULAWAYO:** The year is 1888. The leading figures in what is to prove a memorable meeting are face to face. On an old brandy case sits Lobengula, King of the Matabels, opposite him is Cecil Rhodes. Rudd has come to persuade

*the King to sign a concession allowing an English company to work 'all the metals and materials' in his kingdom. After a suitable display of regal intransigence, Lobengula duly signed and the way is open for Cecil Rhodes and the British South Africa Company to develop the territory which today forms Southern Rhodesia."*

## SORDID HISTORY

The real story is the most sordid episode in imperialist expansion. The Rev. J. S. Moffat, a British missionary in whom Lobengula had great trust, advised him to put his mark on a letter, in which he agreed not to cede any of his territory without the consent of the British Government. Lobengula had no intention of signing any part of his territory to anyone, and therefore saw no harm in the letter. But this became the original document used by Cecil Rhodes to establish claim to the territory!

That was in February 1888. In October, three agents of Cecil Rhodes (Charles Duneel Rudd, F. R. Thompson and R. Macguire—a British M.P.), persuaded Lobengula to sign another document, in return for which Cecil Rhodes would provide him with 1,000 rifles, 100 rounds of ammunition, a steamboat to sail on the Zambesi, and a pension of £100 a month. The moment it was signed Charles Rudd dashed off with it to Cecil Rhodes in Capetown and Cecil Rhodes rushed off with it to Queen Victoria at Balmoral House in London.

In Matabeleland, the territory ruled by Lobengula, there was consternation, for the rumour spread that the King had ceded his peoples right to the land, which he had no power to do without the agreement of his counsellors. Lobengula sent a letter to Queen Victoria in which he explained:

*"Some time ago a party of men came into my country, the principal one appearing to be a man called Rudd. They asked me for a place to dig for gold and they said they would give me certain things for the right to do so. I told them to bring what they would give me and I would show them what I would give. A document was written and presented to me for signature. I asked what it contained, and was told that in it were my words and the words of those men. I put my hand to it. About three months afterwards I heard from other sources that I had given by that document the right to all the minerals of my country." (April 23, 1889).*

Faced with King Lobengula's repudiation, Cecil Rhodes sent the first batch of white settlers to occupy part of the king's land. The British Government of the day sent in troops, and within three months (September 1890) Salisbury, the present capital of Southern Rhodesia was founded. When Lobengula was told that British troops had crossed the border, it is no wonder that he made the bitter comment that "All white men are liars".

For the next three years a ruthless war of extermination was waged against the people of Matabeleland and the

neighbouring territory of Matabeleland. Lobengula was killed at the end of 1893, but the looting of his land and cattle, and the murder of his people went on.

## LAND ROBBERY

From the outset the Charter Company made gigantic profits from lies and deceit. Its ill-gotten gains were won by the extermination of thousands of Africans, forced labour, land robbery and racketeering. True, the Company discovered little gold, but in its first five years its £1 shares went up from £1 in 1890 to £9. 10s. in 1895. Every soldier engaged in a new expedition against the Africans in 1893 was promised nine square miles of land and 20 gold claims. The loot acquired was divided equally between the soldiers and the Company. By the end of January, 1895, more than 900 "farm rights" were issued, and nearly 10,000 gold claims registered.

True, there were long legal battles against this robbery. As early as 1908, the white settlers, contested the claims of the Company. The Legislative Council in Southern Rhodesia (which had come into being in 1903) decided in 1914 that the ownership of "unalienated" land was not vested in the Company as its private property, but as a "trust" held by the Company, which was the only governing body before setting up the Legislative Council. It was not until 1920 that the British Government settled the matter (to the advantage of the Europeans) when an Order-in-Council set aside 22 million acres as "native reserves", 31 million acres under European ownership, and 43 millions for "future allocation".

Even today the situation is little different. New legislation between 1950 and 1953 allocated 48,700,000 acres of land (more than half the total of 96,600,000 acres) to European ownership, though the Europeans are less than ten per cent of the African population. Only 36,600,000 acres are assigned to the Africans, more than half of which are in the "native reserves".

## NEW TREACHERY

Within two weeks of the Company getting its royal charter it had extended northwards in its search for "concessions". It sent Frank Lochner, a captain in the Bechuanaland Police, as its representative for talks with Lewanika, Paramount Chief of Barotseland. Lewanika had already given a concession to a Mr. Harry Ware, who represented a Kimberley (South Africa) syndicate. Cecil Rhodes easily solved this problem by buying out the syndicate!

So Lewanika was persuaded to sign a new concession in June, 1890. This gave the Company absolute exclusive and perpetual right to search for and extract minerals over the whole territory of the Barotse nation, and this was presented at a "treaty between the Barotse Nation and Queen Victoria". In return Charter was pledged to finance education and industry, maintain a British Resident, and pay the Paramount Chief £2,000 a year.

Charter was in no hurry to fulfil its pledges. It did not appoint a Resident until 1897, the first school was not opened until 1907, and apart from copper there is hardly any developed industry today. The concession was revised in 1900 when the then British Govern-

ment was directly involved for the first time—though the Queen's authority had been invoked ten years earlier. This revision also cut the annual payment to the Paramount Chief from £2,000 to £850 a year!

Meanwhile, after the deal with Lewanika, more agents were sent out by Cecil Rhodes. Before the end of 1890 they had got 14 more treaties signed (some without witnesses and others without interpreters present!), and in all cases it seems clear that local chiefs had signed away privileges to land and monopoly rights outside their jurisdiction. Still, they were sanctioned by the British Government in 1894.

The recent White Paper issued before Independence Day entitled "The British South Africa's Company's Claims to Mineral Royalties in Northern Rhodesia", traces this early history in detail and describes the efforts which have been made since 1920 to solve this problem. It proves conclusively that the Lewanika concession was extracted by false pretences, and that his territory did not in any case extend to what is now known as the Copper Belt. Moreover, even if the treaty were genuine, it had been ratified by the British Government, but did not bind the new state of Zambia. However, the £4 million compensation paid jointly by Zambia and the new British Government has now ended this long process of exploitation, and frees Zambia from paying in the future royalties of £40 for every ton of copper mined. The White Paper declares bluntly: "It is very questionable in the circumstances whether they should be paid anything at all. It may well be rather that those who have been paying the royalty over the years have a valid claim for compensation against the company."

## CHARTER STILL ROBS

While this new step is extremely welcome, it makes no basic change in the ability of Charter to carry on its exploitation in southern Africa. It was the big copper monopoly which paid the royalties to Charter, but Charter itself has big investments in these copper firms. This means that a large proportion of what it has lost comes back in another way!

Charter is a huge monopoly extending far beyond the extraction of royalty payments. It has investments of over £70 million, including those in De Beers Investment Trust Limited, Rand Selection Corporation, and the Union Corporation Limited—all of whom are in the Republic of South Africa. It has mineral rights extending over 16,000 square miles in Malawi, 134,000 acres of citrus and other estates in Rhodesia, and owns 99 per cent of the shares in the Rhodesia Railway Trust.

Charter's royalty income was on a comparatively low scale before the second world war, amounting to £301,000 in 1937. Even at that time its authority to collect royalties was seriously challenged. In January, 1938, Ormsby-Gore, the British Colonial Secretary who was related by marriage and a personal friend of Douglas Malcolm, chairman of Charter, wrote to the Governor of Northern Rhodesia refusing to re-open the question of the company's title.

After the war Charter's royalty income rose steadily to £2,628,000 in 1949. Again the royalty rights of Charter were hotly disputed and at that time even Sir Roy Welensky challenged its right to levy royalties, but later caved in. After further talks in 1950, the late Mr. A. Creech Jones

(Labour Colonial Secretary at that time) signed an agreement with the Governor and the Company that Charter would continue to receive royalties until October 1st, 1986. In return Charter agreed to pay 20 per cent of its revenue to the Government of Northern Rhodesia. No African had a voice in the matter!

Zambia has now ended this infamous agreement, but Charter will go on making huge profits. Between 1956 and 1963 after paying all taxes its income amounted to £80 million. Its present chairman, Mr. P. V. Emrys Evans, recently reported that "the consolidated profit for the year under review is £14,423,000" (London TIMES, April 3, 1964). Dividends to its shareholders totalled over £8 million last year, compared with just over £1 million in 1948.

Among Charter's directors are Lord Robins, Lord Malvern and many other Tory big business tycoons are linked with it through De Beers, Anglo-American Corporation, Union Corporation, Barclays Bank and other big trusts. Lord Salisbury was a director until 1961 and still retains his financial interest. No wonder the big Tory magnates fought to the last breath to prevent Zambia from putting an end to the payment of royalties to Charter.

But the battle is not yet over. Zambia's economy is still mainly dependent on copper. This is completely in the ownership and control of two

by Idris Cox

huge copper trusts—the Anglo-American Corporation of South Africa, and the Rhodesian Selection Trust. The former owns three copper mines and operates through its subsidiaries—the Rhodesian Anglo-American, and the Rhokana Corporation. The latter owns the Mufilira, Roan Antelope and Chibuluma Mines. Between them the gross profits from copper last year were over £54 million.

## CUTTING CLAWS

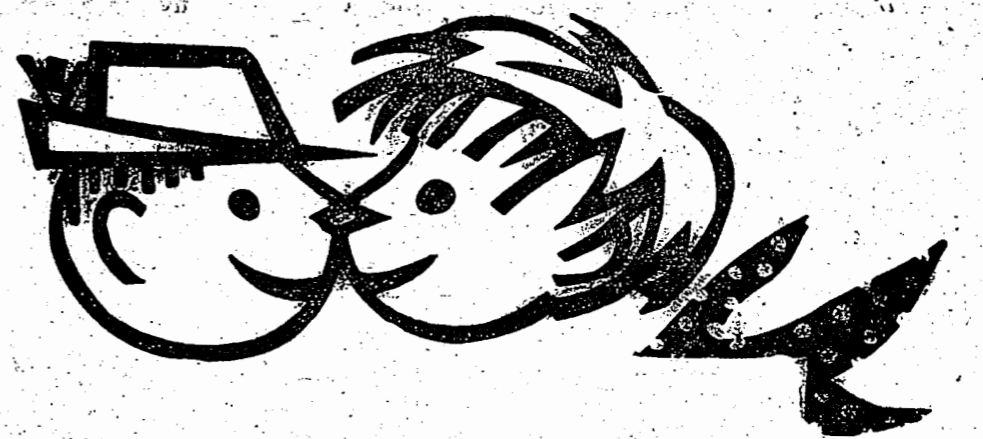
The Anglo-American Corporation has no less than 145 subsidiaries and associates. Last year its mines produced 345,000 tons of copper, worth £80 million. In 1962 its shareholders received 100 per cent dividends. With its headquarters in Johannesburg, South Africa, it is headed by Harry Oppenheimer, the giant mineral magnate, who is also a director of Charter, and also of Tanganyika Concessions—which in turn is linked with Union Miniere, the big copper trust in the Congo.

All that has happened so far is that Zambia has cut off ONE of the claws of Charter's giant monopoly. It may be too soon to take action to cut off any more claws, but it seems clear that serious steps must already be considered to have some kind of control over the operations of the remaining activities of Charter and all the big monopoly firms which remain.

This will also involve giving more encouragement to the African copper miners to raise their level of wages and working conditions. In recent years their own efforts have won big improvements, but 5,000 European miners still get double the total wages of 37,000 African miners. African advancement in the copper mines has been at a snail's pace, and many African miners are capable of skilled jobs equal to those of European miners.

The winning of political independence in itself will not solve Zambia's big problems. But it does put a powerful weapon in the hands of President Kaunda and the United National Independence Party (UNIP), the trade unions, and people of Zambia to press forward for more basic changes in the economy, for the raising of living standards, and the scope and level of education.

Zambia is more fortunate than most African countries in having the economic resources which will enable it to make far more rapid economic progress. British imperialism and the big monopoly firms will still try to hold it back and squeeze the maximum profits. These efforts can be defeated. If Independence Day is followed by united opposition against neo-colonialism and solidarity with the struggle in Rhodesia and South Africa, there are good prospects that Zambia will set the pace in the all-African struggle for freedom.



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