



# THE FUTURE FOR ZAMBIA

by Idris Cox



Dr. Kaunda—the problem of stopping the outflow of Zambia's wealth and achieving real independence.

**ALREADY**, before independence, the names of new states are familiar in Central Africa. Nyasaland has become Malawi, and achieves its independence on July 6th. Northern Rhodesia has become Zambia, but does not reach independent status until October 24th. By then there will be thirty-six independent African states.

Before the dissolution of the old Federal system Nyasaland was exploited as a source of cheap labour, and Northern Rhodesia for its copper, mainly for the benefit of Southern Rhodesia—and, of course, the copper trusts and foreign monopolies.

The change of name is symbolic, but what counts is whether this will lead to a real change in the grip of foreign capital on the rich resources of Zambia, and to the raising of the level of economic development in Malawi.

After talks in London lasting only two weeks, full agreement was reached on the constitutional framework which brings into being on October 24th the new Republic of Zambia. With a total of three-and-a-half million (which includes 72,000 Europeans) the National Assembly will have seventy-five members, with five seats reserved for Europeans.

For the first time, a former British colony becomes a Republic at the same time as it achieves its independence. In all other

cases there have been intervals ranging from one to four years, except with Zanzibar which became a Republic two months after independence.

However, Zanzibar became a Republic by means of revolution, and Zambia by constitutional means. Zanzibar has nationalised the land, taken over buildings and properties, and entered into friendly relations with the socialist countries.

## ECONOMIC PROSPECTS

What is the likely course to be taken in Zambia? It will no doubt strengthen the drive towards all-African unity, and provide a basis for African nationalist fighters in exile from South Africa, Angola and Mozambique. It will also

serve to sharpen the fight for liberation in Southern Rhodesia.

The economic prospects after independence are more favourable for Zambia than any former African colony which has won independence. This does not mean that the economic situation and living standards will change overnight. But if decisive steps are taken by the new Republic to harness the existing rich resources, there could be a rapid change.

The big question-mark is whether Dr. Kenneth Kaunda and the ruling party, the United National Independence Party (U.N.I.P.) is prepared to challenge the vested interests of the big copper trusts, the British South Africa Company (known as the Charter Company), and other monopoly firms which have drained away the wealth of the country for decades, and will go on doing so unless decisive steps are taken against them.

The four big copper trusts—Mufilira, Roan Antelope, Rhokana Corporation and Nchanga Consolidated—with a capital of £50 million, made a profit of £119 million in the two years 1956 and 1957. Though copper prices went down later, their total profit in the two years 1959 and 1960 was still over £90 million.

## DRAIN OF WEALTH

Latest reports reveal that the combined profits of Mufilira and Roan Antelope for the nine months ending March 1964 were £12 million (equal to £16 million for the whole year); and dividends for the previous year were at the rate of 32 per cent.

The "Charter Company" shares in this vast exploitation by grabbing royalties on every ton of copper produced, amounting to an average of £12 million a year. This is only part of its loot. In 1961 it had investments of over £53 million, including those in the de Beers Investment Trust, Rand Selection Corporation, and the Union Corporation Limited—all in South Africa. It owned 99 per cent of the shares in

the Rhodesia Railway Trust, mineral rights on 16,000 square miles in Malawi, and vast estates in Southern Rhodesia.

Created by Cecil Rhodes, the B.S.A.C. got its "Charter" from Queen Victoria in October 1889. By lies and deceit, it tricked King Lobengula into signing over huge tracts of land in Southern Rhodesia, and got a signed agreement from King Lewanika of Barotseland in 1891, by which the Charter Company got 200,000 square miles.

It ruled Southern Rhodesia until 1923 (when it became a "self-governing colony" for the white minority) and Northern Rhodesia until it became a British Protectorate in 1924. But the B.S.A.C. is still entitled to copper royalties until the year 1986.

How long will this situation last? Dr. Kaunda has already given a pledge not to nationalise the copper mines. There are persistent reports that the plan is to buy out the charter royalty rights for £50 or £60 million. If this happens it will mean bigger financial burdens on the new state.

Instead of handing over more money for royalties one would have thought the time had now come to end this robbery. Stopping the huge drain of wealth

out of the country and into the coffers of the big monopoly firms is an essential measure to transform political independence into a reality, build a balanced economy, and to raise living standards.

Recently the U.N. Economic Commission for Africa prepared a draft report on Zambia. In usually well-informed circles it is stated that this report is most forthright on the existing poverty, disease and poor facilities for African education. It condemns Zambia's one-sided economy, but stresses that copper to the value of £100 million is produced every year, and points out that copper profits and royalties amount to one-third the value of exports.

## POVERTY LINE

In face of the enormous wealth going out of the country the majority of Africans live on the poverty line. Employment has declined in recent years, the number of workers has grown, and it is the youth who suffer most. Earlier this year a provisional £3 million vocational training plan for 50,000 unemployed youth was put forward. This was combined with a £5 million emergency sixteen-month plan to provide work. But it will take time for these measures to

have any real effect.

The average national income for Africans in 1962 was £146 per annum (£2. 16s. a week), but that of African copper miners was £289 per annum (£5. 10s. a week). This was in contrast to an average European annual income of £1,563 or £30 a week. It is obvious that economic advance for Africans also means ending this privileged position for Europeans.

Zambia can overcome these problems. It has vast resources. But the situation can be changed only if these resources are taken out of the hands of the copper trusts, Charter Company and monopoly firms, and used for carrying through an economic plan which is based on the interests of the Zambia people and not to put huge profits into the pockets of a few exploiters.

If Dr. Kaunda and the U.N.I.P. leaders do not take effective measures to satisfy the urgent needs of Zambia's Africans and take them out of mass poverty there is sure to be growing dissatisfaction. There is no static situation in any part of Africa. Changes are taking place rapidly. And if the existing African leaders won't move with the times, then new pressures and movements will arise to replace them.

# Towards Cairo