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## AN OUTLINE OF AFRICAN BUSINESS HISTORY IN COLONIAL ZIMBABWE

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SO FAR NO history of African business in Zimbabwe has been written. This article tries to give a brief account of the background to and major events affecting African business in this country rather than to analyse the structural constraints under which African businessmen operated or to examine the strategies they applied. Thus it provides some information on how African enterprise developed but does not attempt to explain why it developed the way it did.<sup>1</sup>

### THE TERM 'BUSINESSMAN'

As early as the beginning of the century, Africans were reported to have been in 'business'.<sup>2</sup> In the 1920s and 1930s the term 'businessman' became widely used by Africans for those of their number who earned their living as traders, craftsmen, transport riders, herbalists and so on. The colonial administration used the term in a similar way. In the 1930s permits allowing self-employed Africans to travel on business were officially termed 'business passes'.<sup>3</sup> This usage certainly reflected some approval from the administration of the fact that Africans were adopting Western ways of making money.

A sense of pride, a notion of independence and achievement was implicit in the term 'businessman'. To be called a businessman conferred self-esteem and social status on the recipient. In 1944 the *African Weekly* reported that three gentlemen had visited Salisbury: 'a well educated man', 'a polished gentleman', and 'a very highly civilized African leader'. These gentlemen were African businessmen: a general merchant, a taxi operator from Bulawayo who was a member of the Bulawayo African Advisory Board, and a bus operator.<sup>4</sup>

Under colonial rule Africans tended to use the term 'businessman' in a very wide sense, comprising not only the African business élite, the prominent and rich African business people, but virtually any African who was self-employed in one way or another. Whether a wealthy transport

<sup>1</sup> This question will be explored in a study of African business in Zimbabwe on which I am presently working.

<sup>2</sup> *Advance*, Feb. 1971.

<sup>3</sup> Nat[iona]l Arch[ives of Zimbabwe, Harare], S1563 (Native Aff[air]s Dep[artmen]t, Chief Native Comm[issioner], Rep[orts], Ann[ual], Chief Native Comm. and Native Comm., 1934-8), Native Comm. Salisbury, 1934, 7.

<sup>4</sup> *African Weekly*, 22 Nov. 1944.

operator or a small bicycle repairer, an established general dealer or a female vegetable vendor — they were all attributed with the prestigious name of 'businessman' or 'businesswoman'. This custom had some justification. Business people distinguished themselves from the vast majority of African people in at least two important aspects: they made their own living — unlike wage labourers; and they did so by novel means, unlike peasant farmers.

When in the later decades of colonial rule the number of self-employed Africans grew and the economic and social differences among them widened, the term businessman or businesswoman gradually became limited to the upper echelons of the African business community. At the time of Independence, the gap between Lovemore Sibanda, the cobbler under a tree in Chitungwiza, and Paul Matambanadzo, the leading African bus operator, had become too wide to be glossed over.

However, for the sake of simplicity, the term businessman will be used in the following discussion in the same comprehensive manner as it was used in the early days.<sup>5</sup> This does not mean that I will ignore the growing differentiation within the African business community. The debate on the informal sector in peripheral economies has contributed a great deal to the understanding the complexity of indigenous business. A whole range of criteria have been used to classify local African businesses: for instance, whether the business people were registered or not, how far their undertakings depended on indigenous resources and simple technologies, whether the main goal of the owners was to maintain their own families or to accumulate in a capitalistic manner, how their businesses were organized and managed and what role they played in the national economy.<sup>6</sup>

### 1860–1930: A SLOW BEGINNING

#### **Early trade contacts**

Between the sixteenth and the nineteenth centuries the African communities living between the Zambezi and the Limpopo Rivers had maintained some barter arrangements with foreigners, particularly with the Portuguese on the east coast. In the 1860s, well before the occupation of Zimbabwe by the British South Africa Company in 1890, European explorers, missionaries, hunters and traders started to penetrate the Zimbabwe plateau and, because of the rise of a capitalist economy south of the

<sup>5</sup> Also for the sake of simplicity and as my outline is based on historical sources I use the colonial names of places, Salisbury for example, and terms such as 'location' and 'reserve' throughout the article — with the exception of the name of the country.

<sup>6</sup> T. Mkandawire, 'The Informal Sector in the Labour Reserve Economies of Southern Africa with Special Reference to Zimbabwe' (Lusaka, International Labour Office, Working Papers, n.d.).

Limpopo, trade links shifted to the south. In the mid-1860s the Ndebele began to trade cattle with South Africa, where the diamond mines at Kimberley and the opening of the gold mines in the Transvaal were to create an increasing market. Ivory was traded for guns on such a scale that by the 1880s a large proportion of the elephant population had been extinguished.<sup>7</sup>

A more important point of contact was the South African mines to which labourers from Zimbabwe started to migrate in the 1870s. This brought them in touch with a cash economy. New goods were brought home and the African population began to experience new needs and desires. Beach comments:

The rewards of migrant labour before colonial taxation and land seizures became felt were evidently enough to keep the migration going: a gun could kill an elephant and recoup its value overnight; gold, trade goods or a tusk might pay the bride-price for a wife, and a single journey might give a man the hold he needed to claw his way back into the more successful levels of the local economy.<sup>8</sup>

### The coming of the White settlers

In 1889 the British South Africa Company, initiated by Cecil Rhodes, secured a Royal Charter from the British government which gave the Company wide-ranging powers over the territory north of the Limpopo. After the Pioneer Column had occupied Mashonaland in 1890 the Company distributed land and mining claims to settlers and land to missionaries. As the new settlers were chiefly interested in mining, they became dependent on African farmers for their food supply.

This had a stimulating effect on the African economy. Beach stresses the 'extraordinarily rapid response' of African farmers to these new opportunities: 'From 1890 to 1894 . . . the Shona rapidly expanded their acreages and diversified into growing maize as a staple food for sale to the mines. . . Most of the income from early peasant sales and migrant labour . . . went into purchasing trade goods, some of which could be exchanged against stocks as the traditional bulwark against *shangwa* (disaster).'<sup>9</sup>

While the growing contact with Whites generated new needs among the Africans, the advent of colonial rule exposed them to new pressures. As Kuper, Hughes and van Velsen remark with respect to the Ndebele of southern Zimbabwe:

The establishment of British rule was immediately followed by an influx of traders, who opened stores all over the country. The desire for goods offered by these

<sup>7</sup> D. N. Beach, *Zimbabwe before 1900* (Gweru, Mambo Press, 1984), 61.

<sup>8</sup> *Ibid.*, 62.

<sup>9</sup> D. N. Beach, 'The Shona economy: Branches of production', in R. H. Palmer and Q. N. Parsons (eds.), *The Roots of Rural Poverty in Central and Southern Africa* (London, Heineman, 1977), 54-7.

stores, the need to pay the annual poll tax in money, and the new avenues opened up for obtaining this money, all helped to draw the Ndebele into a money economy. In the early days of European occupation much of the trade seems to have consisted of direct exchanges of surplus crops and stock for trade goods.<sup>10</sup>

The British South Africa Company imposed a poll tax as a means of forcing local Africans to work on mines and farms as wage labourers. But in the early years of occupation mining companies and settler farmers had to rely on migrant labour from outside Zimbabwe. Local Africans preferred to stay away from wage labour and to pay their taxes from money earned by trading. The Native Commissioner Chibi reported in 1903 that local Africans showed little readiness to work on the mines since they could meet their needs for cash 'by the sale of small stock to white men'.<sup>11</sup>

While the advent of the White man helped to expand African trading, it also undermined most of the African craft industries. All over the country African communities had traditionally engaged in basket-making, wood-carving, net-making, pottery and iron work. The Native Commissioner Chibi observed in 1911 that these industries had 'nearly died out' or had been drastically diminished.<sup>12</sup> Iron tools were replaced by European products. Traditional fabrics were 'driven out of the market by imported material' which was cheaper and had a novel appeal to the African buyer. The Native Affairs Commission of 1910-11 did not suggest that these 'native industries' be revived: their products were not competitive with European ones and there were sufficient other opportunities for Africans to earn money in waged employment.<sup>13</sup>

### First figures on African trade

Little is known about the actual volume of African trade at that time. Prior to 1900 the *Government Gazette* did not record the licensing of African traders of any sort. In 1900 the first African hawkers were licensed, one in

<sup>10</sup> H. Kuper, A. J. B. Hughes and J. van Velsen, *The Shona and Ndebele of Southern Rhodesia* (London, International African Institute, 1954), 62.

<sup>11</sup> Natl. Arch., NVC 1/1/4 (Native Dept., Native Comm. Chibi: Out Letters: General: 31/3/1903 - 1/6/1904), Ann. Rep. 1903, 602b.

<sup>12</sup> Natl. Arch., N9/1/14 (Native Dept., Chief Native Comm: Rep.: Ann.: 1912), Native Comm. Chibi, Ann. Rep., 1911, 9.

<sup>13</sup> Southern Rhodesia, *Report of the Native Affairs Committee of Enquiry, 1910-1911* [Chairman: J. J. Graham] (Sess[ional] Pap[er], A12, 1911), 41. For the Beilingswe area see P. Zachrisson, *An African Area in Change: Beilingswe 1894-1946: A Study of Colonialism, Missionary Activity and African Response in Southern Rhodesia* (Gothenberg, Univ. of Gothenberg, 1978). Other crafts seem to have survived the competition by European industries for a long time but in 1958 the Native Commissioner Gutu reported 'it is extremely difficult to find, say, a basket for sale in the district' ([Southern Rhodesia], *Rep. [of the] Secretary for Native Affs and Chief Native Comm. [for the Year] 1958* (Sess Pap., C.S.R. 25, 1959), 21). However, at about the same time the growth of the tourist industry provided new outlets for traditional crafts.

Salisbury and one in Fort Victoria.<sup>14</sup> In 1901 two African general dealers were licensed, one in the Lomagundi area and one in Fort Victoria.<sup>15</sup> Fourteen years later seven licences were issued to Africans: four hawker licences and three general-dealer licences.<sup>16</sup>

These figures by no means reflect the real extent of African trading activities in the early years of colonial occupation. It can be assumed that most of these activities went unnoticed by the authorities and were, therefore, never registered or licensed. Furthermore, trading in local produce did not require a licence in terms of the laws of the time.<sup>17</sup> Nevertheless, the figures from the *Government Gazette* are of some interest since they show that already by the early years of the century some Africans had gone beyond the casual exchange of produce and trading goods and had established themselves as traders in their own right.

### Urban settlements and early African trade

The fastest growing markets for African traders were certainly the White urban settlements and the African townships which developed around them. In 1911 about 12 000 Europeans out of the total population of 23 000 lived in the urban areas. The number of Africans living in urban areas had grown from about 9 000 in 1904 to about 22 000 in 1911.<sup>18</sup>

*Salisbury:* The situation in Salisbury has been researched by Yoshikuni in his social history of African Harare. According to him, a great number of African peasant farmers living near Salisbury practised market gardening and traded their goods in town. 'It is quite the usual thing for a native', the 1901 report of the Native Commissioner Salisbury stated, 'to have three gardens. The first he will tell you is for his year's food, the second to make beer of, the third for trade.'<sup>19</sup> A European farmer observed:

Africans come into town and hawk fowls, eggs, pumpkins, grains, etc. . . . They pass my place in hundreds, carrying mostly about five fowls each, and return to their respective kraals with from 12s. to 15s. Should their hut-tax be due, or they require a few shillings, all they have to do is to take a journey to Salisbury, and in one day they have all they want.<sup>20</sup>

<sup>14</sup> [Southern Rhodesia], *Government Gazette*, 1900, 219, 220.

<sup>15</sup> [Southern Rhodesia], *Government Gazette*, 1901, 110, 140.

<sup>16</sup> Not counted are the licenses to shoot game. [Southern Rhodesia], *Government Gazette*, 1915, 101, 104, 146, 286, 287.

<sup>17</sup> The Licence and Stamp Ordinance 1901, Part II, Section 13.

<sup>18</sup> Southern Rhodesia, *Preliminary Returns of a Census Taken on 7th May, 1911* . . . (Salisbury, Argus, 1911), 2.

<sup>19</sup> Quoted in T. Yoshikuni, 'Black Migrants in a White City: A Social History of African Harare, 1890-1925' (Harare, Univ. of Zimbabwe, D.Phil thesis, 1989), 142.

<sup>20</sup> *Ibid.*, 142.

Some of these African farmers had initially lived within the Salisbury municipal area. But when the Town Council imposed residential segregation in 1908 and forced Africans to move to the newly established Native Location, many of them moved out of town altogether. They rented plots on European-owned farms such as Ventersburg, St Mary's, Epworth and Donnybrook. There they 'were entitled to cultivate land, graze livestock and collect wood. They could grow crops for subsistence . . . and they also had a chance to produce for markets by mobilizing family labour.'<sup>21</sup> While most of the men worked in town, the fields were cultivated by their wives and children. Yoshikuni speaks of the 'ascendancy of a group of educated, entrepreneurial worker-peasants'.<sup>22</sup>

Market gardening in the vicinity of Salisbury grew to such a extent that some Africans set up their own transport riding businesses. In 1912 a certain Chanakira from Seki, south of Salisbury (a forefather of the well-known African businessmen Kupara, Telephone and Lionel Chanakira) bought wagons and donkeys to transport grain to Salisbury, doing 'an exceptionally good trade', as noted by the Native Commissioner Salisbury.<sup>23</sup>

There were other forms of African business in Salisbury besides these market gardens but very little information exists about them. What is known, for instance, is that in 1913 the Council tried to prohibit Africans from selling cakes and bread at street corners. In the same year an African failed to secure a site for a butchery outside the location.<sup>24</sup> In 1921, David Gazani, possibly the first African in the catering business, obtained a licence to open a native eating-house in South Avenue in the centre of Salisbury.<sup>25</sup> Also in the 1920s a small number of Africans operated licensed general-dealer stores in Salisbury.<sup>26</sup>

Some Africans engaged in trades such as bricklaying, carpentry and tailoring. Many were trained at Chishawasha, a Jesuit mission east of Salisbury. Apparently, 'their services [were] much sought after'.<sup>27</sup> Some bought sewing machines and made clothes which they sold at a good profit.

The White population responded with irritation to the growing African business enterprises around them and tried to use legislation to keep it at bay. As did any other business person, Africans had by law to take out

<sup>21</sup> *Ibid.*, 137.

<sup>22</sup> *Ibid.*, 158.

<sup>23</sup> Interview with Kupara Chanakira, Harare, 27 Feb. 1989; Natl. Arch., N9/1/15 (1912), Native Comm. Goromonzi, 1912, 4; Natl. Arch., N9/1/19 (1916), Native Comm. Salisbury, 1916, 88.

<sup>24</sup> Natl. Arch., LG/93/12 (Local Government Archives: Municipality of Salisbury, Town Clerk's Department, Minute Books, Council Meetings, 1892-1957), Minutes 14 May 1913 and 23 May 1913.

<sup>25</sup> *Ibid.*, Minute 11 May 1922.

<sup>26</sup> *Ibid.*, Minutes 27 June 1922 and 9 Dec. 1926.

<sup>27</sup> Natl. Arch., N9/1/22 (1911), Native Comm. Salisbury, 1919, 88.

licences for particular types of business such as general dealing. Additionally, African businesses operating in town had to comply with certain other legal restrictions. To avoid prosecution for vagrancy the business person had to obtain 'a certificate from a magistrate or police officer that he was earning a living in the township by lawful means'. Trading and similar callings were considered lawful by the authorities.<sup>28</sup>

In 1908 a large number of Salisbury ratepayers petitioned the Council 'pointing out the nuisance arising from natives living in town and urging . . . that more discretion be exercised in the granting of trading licences'. But despite these popular protests, the powers of the Council to regulate business activities in the town were apparently limited. Thus the Council Minutes in 1910 recorded that 'the High Commissioner is not prepared to empower a Municipal Council to make by-laws for regulation or restraining the carrying on of business . . . in areas where [it] might be objectionable to residents'.<sup>29</sup>

The situation was different in the African municipal location south of the European town. From its inception trading in the location, no matter by whom, was prohibited.<sup>30</sup> The Council considered the location exclusively as a controlled living quarter for migrant African labour employed in town and did not want to 'waste' housing on anyone who was not in White employment. These restrictive regulations were changed only in the late 1930s.

*Bulawayo:* In the other large town in the country, Bulawayo, African trade developed according to a slightly different pattern. Owing to the rather more liberal attitude of the Bulawayo council, African trade grew more freely in Bulawayo than in Salisbury. As in Salisbury, African market gardeners grew vegetables and fruits on plots in the vicinity of Bulawayo and traded them in the European residential and business areas.<sup>31</sup> But Bulawayo was different from Salisbury in that a few general-dealers licences were issued to Africans during the period 1910 to 1921.<sup>32</sup> Thornton records some 'independent petty commodity producers' such as bootmakers and tailors in the Bulawayo location during the 1920s. However, African traders also came under pressure from the Bulawayo authorities since the

<sup>28</sup> British South Africa Company, Native Registration Ordinance, No. 16 of 1901. This and other laws and regulations were supposed to control the movement of African workers and to prevent them from escaping from their employers and from 'idling' in town.

<sup>29</sup> Natl. Arch., LG/93/9, Minutes 10 Feb. 1908; Natl. Arch. LG93/10, Minutes 24 Oct. 1910.

<sup>30</sup> Yoshikuni, 'Black Migrants in a White City', 38. See also British South Africa Company, Notice No. 204 of 1907 (20 May 1907).

<sup>31</sup> [Southern Rhodesia], *Rep. Chief Native Comm. [for the Year Ended 31st March] 1910*, 7.

<sup>32</sup> Natl. Arch., S1278 (Civil Comm. and Magistrate Bulawayo, Licences — General Dealers, 1910–1939), 1 (1910–1921). However, while only three general-dealer's licences were issued to Africans, 1 126 were issued to non-Africans during the same period.



municipality 'was anxious to limit any possible drift away from wage labour' and White tradesmen, builders in particular, were afraid of Black competition.<sup>33</sup> Nevertheless, by the mid-1920s a number of African businesses had been established in the African location with the tacit approval of the Location Superintendent. This happened much earlier than it did in Salisbury.

African businesses in Bulawayo faced a different, very specific problem. Retailing in the location was controlled by a few Indians who had built their own houses there.<sup>34</sup> These Indians had taken out hawkers licences, but were in actual fact running informal general-dealer's stores at their residential premises, thus circumventing the location regulations prohibiting any shops or trading stations within the location.

When the Native Affairs Commission of 1930-1 conducted its enquiry into the affairs of the Bulawayo Location, nearly all people giving evidence pleaded for the expulsion of the Indians. As some Africans from the location stated: 'The Location is a native Location and for the convenience of natives and we do not want Indians to be allowed to live or to trade in the Location.'<sup>35</sup> This demand was supported by the Superintendent of Natives: 'Asiatics are undesirable and their premises should be expropriated at almost any cost . . .'.<sup>36</sup> But for the Council the cost of compensating the Indians for their premises was too high. Even in the early 1950s Indians had a considerable control over trading in the location.<sup>37</sup>

The early period of African business is best summarized in the following statement by the Chief Native Commissioner: 'The part the natives play in commerce is negligible, save as retail buyers only. In the useful industries of building, carpentry, furniture-making, market-gardening and shoemaking they are entering the market in competition with European artisans.'<sup>38</sup> This scenario was to develop and to change to some degree in the following three decades.

<sup>33</sup> S. Thornton, 'Patterns of Escape from Migrant Labour and the Emergence of an African Petty Bourgeoisie' (Manchester, Univ. of Manchester, chapter from an unfinished Ph.D. thesis, n.d.), 4.

<sup>34</sup> Out of 5 700 total location inhabitants in 1930, 46 were Indians (Natl. Arch., S235/394 (Native Affs Dept., Chief Native Comm., Correspondence and Other Papers, Unnumbered Series 1909-1949: Bulawayo Municipal Location, 1930, Report of a Commission of Enquiry), Annexures, Summary of Recommendations, 25-6.

<sup>35</sup> Natl. Arch., S235/477 (Native Affs Commission, 1930-1, Evidence), 50.

<sup>36</sup> *Ibid.*, Evidence, 15.

<sup>37</sup> B. W. Gussman, *African Life in an Urban Area: A Study of the African Population of Bulawayo* (Bulawayo, The Federation of African Welfare Societies in Southern Rhodesia, 2 vols., 1953), I, 79.

<sup>38</sup> Natl. Arch., S138/10 (Native Affs Dept., Chief Native Comm., Correspondence and Other Papers, Numerical Series, 1923-1933: African Advancement, 1923-1933), Brief Notes on Native Matters to the *Empire Mail*, 14 May 1924.

## 1930-1960: A PERIOD OF GROWTH

The three decades between 1930 and 1960 were marked by a fast-growing economy, a significant increase in African urbanization, an expanding African market and the formation and diversification of African enterprise. If the African traders of the period prior to 1930 were the forefathers of African business, then the period between 1930 and 1960 saw the rise of the first generation of African businessmen proper.

**Economic growth and African urbanization**

This period saw a remarkable overall economic growth which was only temporarily retarded by the Second World War. But even the war period was economically beneficial to some extent. Imports were cut back while exports rose. This improved the country's balance of payment. As Hawkins states, 'Rhodesia's external assets rose to record levels providing some of the financial resources that were to be necessary to pay for the rapid growth between 1946 and 1953.'<sup>39</sup> During the post-war period the net national income grew at a rate of ten per cent per annum. New foreign investment was attracted and the influx of White immigrants doubled the size of the settler population to 153 000 in 1953.

It was in 1953 that the three British territories of Southern Rhodesia, Northern Rhodesia and Nyasaland formed a Federation. Two of the reasons for the Federation were to enhance the scale of economic integration and to attract foreign investment. During the first couple of years the economy continued to boom and a high rate of foreign investment and White immigration was maintained. When the economy started to stagnate in 1957 this — among other factors — was the beginning of the end of the Federation, which was finally dissolved in 1963.

For African business the massive economic expansion during this period was of great significance. The number of Africans drawn into the money economy in these years as labourers, farmers, tax-payers and consumers grew rapidly. While in 1931 about 180 000 Africans were in waged employment (out of a total African population of about 1 000 000) twenty years later more than 500 000 were employed out of a total of 2 000 000.<sup>40</sup> The African wage bill grew accordingly as well as the volume of the African market.<sup>41</sup>

<sup>39</sup> A. M. Hawkins, 'The economy: 1924-1974', in G. M. E. Leistner (ed.), *Rhodesia: Economic Structure and Change* (Pretoria, Africa Institute of South Africa, 1976), 17.

<sup>40</sup> Southern Rhodesia, *Census of Population, 1951* (Salisbury, Central African Statistical Office, 1954), 19. These figures include non-indigenous Africans.

<sup>41</sup> Between 1946 and 1957 the total of African wages rose from £12.6 million to £46 million, an increase of 160 per cent in real terms. Similarly, incomes of African farmers from crop sales rose from £1.4 million to £4.7 million (*Commercial and Industrial Progress*, May 1959).

All this led to a rapid increase in African urbanization, as reflected by the growth of the African population of Salisbury. In 1936 about 20 000 African males were employed in Salisbury; the number of women and children in the city was still very small at that time. In 1956 more than 150 000 Africans lived in Salisbury and its environs.<sup>42</sup> Urbanization in turn boosted various industries, in particular the manufacturing industry. A British Trade Commission noted: 'The bulk of the African purchasing power is concentrated in the main urban towns and mining centres and spent in the main European shopping centres. The market in the rural areas is very small.'<sup>43</sup> Urban African dwellers were separated from their rural subsistence base, they were exposed to the new range of commodities available in towns and became dependent on the purchase of goods and services: for example, in order to travel to their home areas they needed transport services.

In 1960 Brelsford wrote:

Africans are becoming increasingly urbanized . . . Standards of housing, education and recreation are being improved and this is resulting in the African becoming increasingly conscious of a standard of living which a few years ago he hardly knew existed . . . there is . . . a substantial demand for bicycles, gramophones, toilet preparations, domestic hardware and trinkets. As the incomes of Africans rise, their demands approach those of the Europeans and include furniture, radios and other items of household equipment . . . some are in a position to purchase motor cars and motor cycles.<sup>44</sup>

As Brelsford was writing for the Federal government his account of the rising standards of African living may possibly be rather overstated. However, he is certainly right in stating that urbanization had a lasting impact on African consumer preferences.

There is no doubt that the growing African market was exploited primarily by European and Asian businesses and that African businesses captured only a very small share of it. However, the overall growth of the economy, and particularly of African purchasing power, provided a general background against which African enterprise could grow.

### **Some statistics of African business development**

Though official statistics on African business are generally poor, there are enough figures available for the period 1930 to 1959 to give a rough picture of the rising number of African enterprises (see Table I).<sup>45</sup>

<sup>42</sup> Southern Rhodesia, *Report of the Urban African Affairs Commission* [Chairman: R. P. Plewman] (Salisbury, Govt. Printer, 1958), 16-18.

<sup>43</sup> *African Businessman*, 5 Jan. 1963.

<sup>44</sup> W. V. Brelsford (ed.), *Handbook to the Federation of Rhodesia and Nyasaland* (Salisbury, Federal Information Department, 1960), 356-7.

<sup>45</sup> Before 1930 there were too few self-employed Africans to be worth counting and after

Table I

## SELF-EMPLOYED AFRICANS IN ZIMBABWE 1930-1959

Year	Number
1930	864
1935	2 991
1940	3 616
1945	4 606
1950	8 491
1955	12 000
1959	16 526

Sources: *Rep. Chief Native Comm. 1930*, 7; *Rep. Chief Native Comm. 1935*, 5; *Rep. Secr. Native Affs and Chief Native Comm. 1940* (Sess. Pap. C.S.R. 13, 1941), 7; 'Rep. Secr. Native Affs and Chief Native Comm. 1945' in *Reps. Secr. Native Affs and Chief Native Comm. 1941, 1942, 1943, 1944 and 1945* (Sess. Pap. C.S.R. 10, 1947), 214; *Rep. Secr. Native Affs, Chief Native Comm. and Dir. Native Dev. 1950* (Sess. Pap. C.S.R. 9, 1951), 89; *Rep. Secr. Native Affs, Chief Native Comm. and Dir. Native Dev. 1955* (Sess. Pap. C.S.R. 12, 1956), 24; *Rep. Secr. Native Affs and Chief Native Comm. 1959* (Sess. Pap. C.S.R. 18, 1960), 13.

When the Zimbabwean economy was hit by the Great Depression between 1930 and 1935, the number of self-employed Africans increased remarkably.<sup>46</sup> The Great Depression had a two-fold impact on African business: it drove many African labourers out of their jobs into self-employment and at the same time increased the demand for cheap goods and services provided by African business people.<sup>47</sup> A good example is the building industry. While the White-owned building firms were severely hit by the recession and had to retrench African workers, the number of self-employed African builders and bricklayers soared from 286 in 1930 to 609 in 1935.<sup>48</sup>

This relation of entrepreneurial demand and supply factors was reversed in the years between 1935 and 1940. When the economy recovered from the Depression the demand for African wage labour rose and fewer Africans were forced into self-employment, reducing the supply of African entrepreneurs. At the same time, the demand for low-cost goods and services dropped.

Later, during the years of the Second World War, the number of self-

1960 there were too many to be counted. With the abolition of Part II of the Native (Urban Areas) Accommodation and Registration Act (No. 6 of 1946) in March 1961 it became virtually impossible for the authorities to count self-employed Africans in any accurate way.

<sup>46</sup> Possibly the figure for 1930 was underrated since it was the first year that self-employed Africans had been counted throughout the country.

<sup>47</sup> I. R. Phimister, *An Economic and Social History of Zimbabwe, 1890-1948: Capital Accumulation and Class Struggle* (London, Longman, 1988), 190.

<sup>48</sup> *Rep. Chief Native Comm. 1930*, 7; *Rep. Chief Native Comm. 1935*, 5.

employed Africans grew steadily again. The fifteen years after the war was a boom period for African business. With the rapid expansion of the country's economy Africans were seized with an entrepreneurial fever. In these years the number of African businesses nearly quadrupled from 4 606 in 1945 to 16 526 in 1959. The rising real incomes of a significant number of African farmers and labourers facilitated the formation of African enterprise. At the same time, the growing African market boosted the demand for African enterprise.

The figures for specific occupations of self-employed Africans are even more inadequate than the total figures. In the annual reports of the Department of African Affairs occupational classifications often changed. Table II documents the wide range of occupations taken up by self-employed Africans and reflects some of the changes in the popularity of these occupations.

The grouping of these types of businesses is certainly questionable but it does help to provide a basic orientation as regards the distribution of African enterprise. One clear feature that emerges is the dominant position of all occupations connected with the building industry. This reflects the continuing boom in the building industry particularly in the post-war years, and the high demand for the cheap, semi-skilled labour supplied by the independent African builders.

The second remarkable trend is the growth of the African retailing industry. This indicates the growth of the African market and an increased participation of African retailers in it. However, this development also indicates the ambitions of African entrepreneurs to move away from itinerant forms of business, such as building, to trading where they could have their own premises with a store, a counter and a sign above the door.

Finally, while the demand for African transport, particularly for rural passenger transport, grew, the community of African transport operators remained small. The capital requirements were much higher in transportation than in building and other trades and the managerial requirements were higher than in retailing.

Table II represents only a small selection of the full spectrum of African business. Hundreds were involved in other occupations. In 1942 the Native Commissioner Salisbury listed the following occupations in his report: well-sinkers, herbalists, tinkers, mattress-makers, midwives, barbers, sugar-cane vendors, curio-sellers, sieve-makers, motor mechanics, photographers, silver-smiths, snake-charmers and makers of tennis-courts.<sup>49</sup>

<sup>49</sup> Natl. Arch., S1618 (Native Affs Dept., Reports, Quarterly, Chief Native Comm. and Native Comm., 1927-1953), Native Comm. Salisbury, Ann. Rep., 1942, 5.

Table II

## SELF-EMPLOYED AFRICANS BY SELECTED TYPES OF BUSINESS

Year	1930	1940	1950	1955
<i>Construction</i>				
Buillers	193	598	1 527	2 196
Bricklayers	93	nr	70	nr
Brickmakers	31	118	162	309
Carpenters	81	320	611	937
Painters	64	195	475	402
Thatchers	nr	95	107	nr
Plumbers	nr	53	57	nr
TOTAL	462	1 379	3 009	3 844
<i>Retail/catering</i>				
General dealers	10	80	785	1 939
Hawkers	44	246	240	nr
Eating-house keepers	20	83	119	434
TOTAL	74	409	1 224	2 373
<i>Transport</i>				
Transport riders	35	85	50	nr
Taxi drivers	10	40	nr	nr
Public-service vehicle owners	nr	20	162	211
TOTAL	45	145	212	211

nr = no record.

Sources: *Rep. Chief Native Comm. 1930*, 7; *Rep. Chief Native Comm. 1940*, 7; *Rep. Secr. Native Affs, Chief Native Comm. and Dir. Native Dev., 1950*, 89; *Rep. Secr. Native Affs, Chief Native Comm. and Dir. Native Dev. 1955*, 24. Figures on public-service vehicle owners: V. Wild, 'Role and Profiles of African Business in Road Motor Transportation in Colonial Zimbabwe, 1940-1965' (Harare, unpubl., 1990), 16.

**African business in pre-Second-World-War Salisbury**

As has already been mentioned in the early decades of the century the main locus of African business development had shifted to the cities. But the initial growth was slow. In Salisbury a so-called 'native trading area' had developed between Kingsway (now Julius Nyerere Way) and the Kopje comprising African eating-houses, small shops selling aerated water, general-dealer shops, cycle repairers, carpenters and cobblers working in backyards or even on the pavements. Initially, the owners of the shops and the eating-houses were mainly Greeks, Indians or Chinese. But the number of African-owned businesses grew. The Council Minutes record six African general dealers in Salisbury in 1935 and 22 in 1938. The eating-

house business became nearly entirely controlled by Africans. In 1938 out of 23 eating houses 20 were run by Africans.<sup>50</sup>

African vendors and hawkers could be seen all over the town. On the corner of Charter Road and Kingsway about 35 African market gardeners sold vegetables. Most of them came from Seki Reserve, about 15 kms south of Salisbury, others from Epworth Mission and others from a few private locations within the town precincts. All but two of these vendors had to walk to town. The Seki vendors left at dawn, sold their goods during the day, slept in the brickfields that night and returned home the next morning.<sup>51</sup> Earlier, the Council had reserved a section of the Market Square for African vendors but the African traders did not make use of it. Apparently they did not like to do business under municipal control.<sup>52</sup>

Kosmin has described the attitude of the authorities towards African traders as being 'relaxed' in the years before the Second World War: 'Salisbury provided the closest example of a true *laissez-faire* economic situation'.<sup>53</sup> The government was hesitant to restrict African hawkers and vendors because they helped to keep down the cost of living (and therefore the wages) of African urban dwellers. On the other hand, the local authorities were afraid of Black competition for White business.<sup>54</sup> The Prime Minister of the time, Godfrey Huggins, remarked that African coming to town should sell only curios and baskets, but not chickens and eggs.<sup>55</sup> However, it took the authorities many more years before they were able to impose comprehensive restrictions on African business in the city.

In contrast to the quite liberal business conditions prevailing in the city during the pre-war period, business regulations in the African location were still very restrictive. Even slot-machines for chewing-gum were prohibited, as was the sale of cigarettes and sugar in the municipal eating-house. But this did not stop Africans from trading illegally. There were many general dealers, plumbers and mattress repairers, and bread was sold from rented rooms, often by agents of European firms.

<sup>50</sup> Natl. Arch., LG/93/34-40 (1935-38). See also V. Wild, 'Black competition or White resentment? African retailers in Salisbury 1935-53', *Journal of Southern African Studies* (1991), XVII, 183.

<sup>51</sup> Natl. Arch., Historical Manuscripts Collection, RH16/4/1/3 (Rhodesian Institute of African Affairs: Minutes: Branches: Salisbury, 6 Apr. 1936 - 2 Dec. 1959), 'Report on the Feeding of Native Labour in Industrial Areas [1938]', 2.

<sup>52</sup> Natl. Arch., Record Centre, Salisbury Municipality, location C 25.148 R, Box 109988, SM file 12/53, jacket 1, Town Clerk Salisbury to Town Council, 11 June 1938.

<sup>53</sup> B. A. Kosmin, 'Ethnic and Commercial Relations in Southern Rhodesia: A Socio-Historical Study of the Asian, Hellene and Jewish Populations, 1898-1943' (Salisbury, Univ. of Rhodesia, D.Phil. thesis, 1974), 236.

<sup>54</sup> *Ibid.*, 147-8.

<sup>55</sup> J. R. Gray, *The Two Nations: Aspects of the Development of Race Relations in the Rhodesias and Nyasaland* (London, Oxford Univ. Press, 1960), 154.

By the mid-1930s, however, things had started to change. The Location Superintendent strongly advocated the legalization of African business and the building of stores for African traders. In his view a better supply of foodstuffs and other daily necessities would improve the poor health of the location residents. Furthermore, stores in the location would considerably reduce African traffic to and from town and, as a result, 'Kaffir trade' would be cleared out of the city.<sup>56</sup> These proposals heralded the new policy on African business which the Council gradually adopted and implemented. In 1936 the Council scrapped the trading restrictions and decided to build some stores and a bazaar.<sup>57</sup> Probably the Council considered this move not only beneficial for the African residents but also prudent from an administrative point of view, since illegal trading in the location had grown to considerable proportions.

After all, with the increased African influx into Salisbury, African business had begun to prosper. The available figures are not very consistent but they indicate the following trends in African business in Salisbury by the end of the 1930s:

- Between 500 and 700 Africans were engaged in a trade of some sort. (This was about two per cent of the African population in Salisbury).
- About two-thirds of the traders were itinerant — which indicates the small size and the informal character of their operations. One-third were non-itinerant, that is operating from fixed premises. Only ten per cent were licensed.
- Non-itinerant businesses were concentrated in the city, mainly in the 'native trading area', whereas one-third of them were situated in the location, despite the fact that trading restrictions there had not been lifted.
- Itinerant trade was spread over the whole of the municipal area; half, however, was based in the location.<sup>58</sup>

#### **After the war: Business fever in the rural areas**

The Second World War temporarily retarded the growth of African enterprise. African incomes dropped and markets shrank. Supplies,

<sup>56</sup> Natl. Arch., Record Centre, Salisbury Municipality, location 26/7/9 F, box 14207 SM file 12/7, jacket 4, Location Superintendent to Town Clerk Salisbury, 14 Aug. 1935. See also Wild, 'Black competition or White resentment', 186.

<sup>57</sup> Natl. Arch., Record Centre, Salisbury Municipality, location 26/7/9 F, box 14207, SM file 12/7, jacket 5, Town Clerk Salisbury to Honey and Blanckenberg, 20 Jan. 1937.

<sup>58</sup> Wild, 'Black competition or White resentment', 179.



particularly of imported goods, became short and prices were controlled. Under emergency powers, business licences needed the approval of the Minister of Finance.<sup>59</sup> While competition stiffened, African small businesses were least able to face the new restrictions. In some cases they suffered more than other business groups from war measures such as petrol rationing. For example, the Road Service Board which issued permits to transport operators, refused the applications of a number of Africans on the grounds that their services were not essential since they carried only Africans.<sup>60</sup> Especially in Salisbury District African enterprise underwent a serious decline: the number of business passes issued dropped from 545 in 1938 to a mere 244 in 1941.<sup>61</sup>

In the countryside African business enterprise had remained very small and marginal over the decades. Much of the rural trade was still done by barter. Out the about 200 general-dealer stores in these areas, only 50 were owned by Africans. Their stocks were supplied mostly by Indian wholesalers who charged them retail prices. African traders lacked the capital, assured markets and heavy transport to carry their goods.<sup>62</sup>

The situation of the African rural craftsman was no better. As the Native Commissioner Mazoe reported, 'there are the odd native blacksmiths, cycle repairers, builders, etc. but there is at the moment very little work for them within the Reserves'.<sup>63</sup> Most of the African plumbers, thatchers, well-sinkers and so on worked for Europeans on their farms or in the towns; only a few tradesmen such as millers and butchers had an African clientele.<sup>64</sup>

Things changed soon after the war. In 1946, the Native Commissioner Marandellas observed that 'the Natives are tending to become commercially minded, if one can judge by the number of them who have taken up trade in the reserves and the many more who wish to do so'.<sup>65</sup> The Assistant Native Commissioner Wedza reported 'a scramble for business activity in

<sup>59</sup> Natl. Arch., LG/47/125 (Salisbury Municipality, Town Clerk's Department, Out Letters, General, 1892-1946: 18 May - 11 July 1945), Town Clerk Salisbury to Mrs E. M. Williamson, Johannesburg, 21 June 1945. A number of applications by Africans for a general-dealer's licence were refused by the Salisbury Council on the grounds that 'it would constitute an additional licence' (Natl. Arch., LG/47/118 (1/6/1944 - 31/7/1944), Town Clerk Salisbury to the Secretary to the Treasury, 23 July 1944.

<sup>60</sup> Southern Rhodesia, Ministry of Transport, Salisbury, Road Service Board, Minute, 30 July 1945.

<sup>61</sup> Natl. Arch., S1563/1938, Native Comm. Salisbury, Ann. Rep., 1938, 13; Natl. Arch. S1563/1941, Native Comm. Salisbury, Ann. Rep., 1941, 8.

<sup>62</sup> See the evidence given to the Native Production and Trade Commission in 1943-4; Natl. Arch., Z/BJ/1/1/1 (Native Production and Trade Commission: Evidence: Oral: By people, 1944), 96, 326, 666, 858-62; Z/BJ/1/2/1 (Written), evidence submitted by the Chief Native Comm.

<sup>63</sup> Natl. Arch., ZBJ 1/2/2, Native Comm. Mazoe.

<sup>64</sup> Natl. Arch., ZBJ 1/2/3, Assistant Native Comm. Goromonzi.

<sup>65</sup> Natl. Arch., S1563/1946, Native Comm. Marandellas, Ann. Rep., 1946, 26.

the Reserve'.<sup>66</sup> In the following year he noted, '1947 may well go down on record as the year of birth of business by Africans. The Reserve is now covered by businesses'.<sup>67</sup> Between 1945 and 1947, the number of African businesses in the Marandellas district had increased from 20 to 84.<sup>68</sup> The rush for money had gripped the countryside.

Within a few years, this scramble had shifted the balance of business ownership in the Reserves. In 1950 only 250 business sites were leased to Europeans, as against 1 800 to Africans.<sup>69</sup> 'It is difficult to attribute this increase', the Chief Native Commissioner commented, 'to any single cause except the overriding one of the natural human desire to be independent. Agriculture in the reserve can no longer provide such an independent existence for all, and the destocking programme has liquidated a large amount of capital, the owners of which seek other sources of investment'.<sup>70</sup>

The Native Administration supported the growth of African enterprise and viewed it with sympathy since it was in line with its policy of separate development, which implied leaving economic opportunities in African areas to Africans. At the same time, the administration had mixed feelings about the prospects of the new businesses. As the Chief Native Commissioner commented in this report for 1950, 'most of the applicants [for rural store sites] are inexperienced and have the idea that they have only to erect a store or start a business and money will come rolling in without much effort on their part, the bulk of the work being done by an assistant. . . . On the other hand, many successful Native traders have surmounted the initial obstacles and are doing well'.<sup>71</sup> Official reports repeatedly pointed out that many African businessmen had no practical qualifications, insufficient capital, that their stores were poorly stocked and that they priced themselves out of the market.<sup>72</sup> In the early 1950s several Native Commissioners mentioned 'the suspicion, bordering on certainty, that the more successful stores and bus services are surreptitiously financed by European and Asiatic traders who would be unable to obtain sites in the native areas under their own names'.<sup>73</sup>

As time went on the officials who had initially been so impressed by the African entrepreneurial drive became more sceptical: 'Reserves are

<sup>66</sup> *Ibid.*, Assistant Native Comm. Wedza, Ann. Rep., 1946, 16.

<sup>67</sup> *Ibid.* 1947, Assistant Native Comm. Wedza, Ann. Rep., 1947, 14.

<sup>68</sup> *Ibid.*, Native Comm. Marandellas, Ann. Rep., 1947, 29.

<sup>69</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir[ector of] Native Dev[elopment] 1950* (Sess. Pap. C.S.R. 9, 1951), 16.

<sup>70</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1948* (Sess. Pap. C.S.R. 27, 1949), 33.

<sup>71</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1950*, 16.

<sup>72</sup> For example, see *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1952* (Sess. Pap. C.S.R. 33, 1953), 9-10.

<sup>73</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1952*, 27.

filled with would-be tradesmen, but most do little real business and results are disappointing. . . . Applications for business sites continued to grow. As soon as any native acquires £200 he wants to open a business, regardless of the responsibilities, but their stores are not patronized and they barely eke out a living.<sup>74</sup> 'It seems fairly certain that only a small number of these men are making a success of their business ventures while the rest draw consolation from the fact that they are "business men".'<sup>75</sup>

By the end of the period, 90 per cent out of a total of 5 700 rural trading sites were leased to Africans.<sup>76</sup> Africans had firmly established their hold on rural trading. But the advances made were more in quantity than in quality, and achieved more in terms of racial distribution than of entrepreneurial excellence.

### **The urban areas after the war: Commercial segregation and the rise of a business élite**

The urban African business communities were hit by war restrictions as much as their rural counterparts were, and after the war they suffered from new segregatory measures which then marked urban policies. Established African businesses were now driven out of the 'White' towns, particularly the business area, where they had their stores, workshops and their clientele. They were confined to the African urban areas where they had to operate under the surveillance of the municipal Native Administration and under regulations which were much harsher than the *laissez-faire* conditions which had prevailed in the business areas of the towns. As a consequence a number of African businesses experienced a severe setback, most markedly the general dealers and eating-house keepers.<sup>77</sup>

Thus after the war the number of registered African businesses grew slowly; for example, in Salisbury there were 337 businesses in 1946 but only 511 in 1959.<sup>78</sup> The full impact of the containment policy of the authorities becomes clear if one compares this slow increase with the

<sup>74</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1954* (Sess. Pap. C.S.R. 15, 1955), 15.

<sup>75</sup> *Rep. Sec. Native Affs, Chief Native Comm. and Dir. Native Dev. 1956*, 28.

<sup>76</sup> Natl. Arch., Federation of Rhodesia and Nyasaland, F236/CX29/3 (Prime Minister and External Affairs, Miscellaneous Collection, 1952-1963: African Enterprise, 25 Sept. 1954 - 4 Nov. 1963), 'First Report of Inter-Territorial Committee on the Promotion of African Business and Industrial Enterprise' [1962], 10.

<sup>77</sup> The number of African general dealers in Salisbury dropped from 22 in 1938 to 5 in 1950, despite the immense commercial upsurge after the War. African eating-house keepers virtually disappeared; see Wild, 'Black competition or White resentment?', 183.

<sup>78</sup> Salisbury Municipality, *Minutes of His Worship the Mayor* (Salisbury, The Municipality, 1946), 56; Salisbury Municipality, 'Director of Native Administration, Annual Report 1959-1960' (Salisbury, unpubl., 1960), 27.

rapid growth of the urban African population on the one hand and the superfluity of new African businesses in the countryside on the other.

The adversities faced by urban African businessmen have been vividly portrayed by Lawrence Vambe, who came to Salisbury in 1946 and worked as a journalist with the African Newspapers. In his book, *From Rhodesia to Zimbabwe*, he describes the 'impossible conditions' under which the small African traders had to work.

None of them . . . could sell more than the most elementary necessities of life, such as bread, flour, sugar, tea, jam and Coca-Cola. They could only operate from Municipality-owned premises, the majority of which were no bigger than the average sitting room or bedroom in Harare<sup>79</sup>. . . They were not allowed to occupy more than one shop or to make structural alterations to their existing rented premises . . . Many Africans wished to join the small business community in Harare, but the sheer impossibility of obtaining premises and trading licences killed their dreams. These facilities . . . were doled out to black people as though they were favours, not their normal rights in what termed itself a free-enterprise economy.<sup>80</sup>

The situation of African business in Bulawayo has been studied by B. W. Gussman. His survey was carried out in 1949-50, prior to the implementation of full urban segregation in Bulawayo. Gussman reported that 'trading stores run by Africans, Indians and Coloureds are to be seen in all parts of the Municipal area occupied by Africans . . . hawkers are scattered about everywhere. . . . Many are trading illegally and are continually on the move. . . . Many Africans rent shops in the European area.'<sup>81</sup> In the location, there were 90 shops run by Africans. Among them were eleven women and twenty Ndebele. Many shopkeepers hailed from Northern Rhodesia.<sup>82</sup> Some of the bigger shops in the location were still owned and controlled by Indians despite the protracted, yet indecisive efforts of the Council to break the Indian influence on African trading.

To facilitate the full segregation of commercial activities the Bulawayo Council erected trading premises for Africans in its African areas. Applicants were selected according to 'character', previous experience in business and available capital. This restrictive practice conferred a sort of oligarchy on a few more capable and more successful African retailers. In Mpopoma, an African township in Bulawayo with 2 000 households, only three African-run shops existed which made 'phantastic sums of money'.<sup>83</sup>

While the restrictive policies of the urban authorities limited the growth

<sup>79</sup> The name of the African township, Mbare, at that time.

<sup>80</sup> L. Vambe, *From Rhodesia to Zimbabwe* (London, Heinemann, 1976), 202-4.

<sup>81</sup> Gussman, *African Life in an Urban Area*, I, 76.

<sup>82</sup> *Ibid.*, 76-82.

<sup>83</sup> *Bantu Mirror*, 6 Dec. 1958.

of African enterprise, at the same time it fostered a small commercial élite. That is one reason why the post-war period saw the rise of an urban African business élite and a growing stratification within the African business community. Again Vambe brilliantly portrays the African business hierarchy. At the bottom of the pyramid were the prostitutes, the 'shebeen queens', the illegal beer brewers and the small hawkers and vendors. Next came the skilled artisans and tradesmen, especially the builders, carpenters and motor mechanics, many of whom operated without fixed premises. Above them in terms of income and status came the small shopkeepers, the grocers, butchers and barbers. The top of the pyramid was occupied by the tycoons, the bigger bus operators and the substantial general dealers.<sup>84</sup>

One of the élite was Bernhard Vito, Vambe's cousin, who owned several buses operating within and outside Salisbury. Another was Isaac Samuriwo, a son of a chief, a bullder by trade, a transport operator, a store owner, a politically and socially ambitious individual, a Member of the Federal Parliament and first resident of Marimba Park (the first low-density suburb for Blacks in Salisbury, set up in 1960 to accommodate the new African middle class). In Bulawayo, William Ngwenya belonged to what Vambe calls the 'black moguls'; he was a qualified teacher, the proprietor of several grocery stores, Secretary of the Bantu Co-operative Trading Society, trustee of the Mpopoma Leaseholder Association, in leading positions in many other organizations and owner of a house and a brand-new Plymouth car.

This commercial élite organized itself into a multitude of African business associations and — until the advent of radical nationalism in the later 1950s — was active in politics. African businessmen were leading members of the African Advisory Boards which advised urban authorities on African township affairs and which exercised some influence on the allocation of business licences. Some prominent businessmen became involved in national and Federal politics, particularly within the context of the more liberal politics of the 1950s.<sup>85</sup> But the African business community was too small, economically too insignificant and socially too fragmented and diverse to ever develop a consistent influence on local or even national politics.

<sup>84</sup> Vambe, *From Rhodesia to Zimbabwe*, 195–212.

<sup>85</sup> Multiracial societies in whose activities African businessmen participated were the Capricorn Society and the Inter-Racial Society. The number of businessmen active in such societies were counted in 'tens rather than in hundreds' (interview with Hasu H. Patel, Harare, 9 Oct. 1987). The main African clientele of these associations was the educated urban élite, such as teachers, journalists and the like.

## AFRICAN BUSINESS UNDER UDI

**Political background**

In about 1960 a nationalist tide swept the continent. Africans in Northern Rhodesia and Nyasaland successfully pressed for independence. As the White voters of Southern Rhodesia were afraid of a similar development they voted the right-wing Rhodesian Front into power. In order to avoid imperial pressure to grant more political rights to the African people resident in the country, Southern Rhodesia unilaterally declared her independence from Britain in 1965.

After a temporary setback due to the break-up of the Federation and to international sanctions, Southern Rhodesia's economy performed remarkably well in the initial period of UDI. Between 1968 and 1974, GNP grew by 8.3 per cent per annum. For many African businessmen during UDI 'things went on as if nothing had happened'.<sup>86</sup> It was only in 1975 that the economy flagged. Industrial equipment became obsolete, exports dropped, the balance of payments deteriorated and the rising cost of the civil war meant an additional burden to the economy.<sup>87</sup>

Basic demographic trends which had characterized the previous period continued. The African population grew at about 3.5 per cent per annum and more and more Africans moved into the towns. While in 1962 about 300 000 Africans lived in Salisbury, eighteen years later the figure had more than doubled.<sup>88</sup>

Again, statistics on self-employed Africans are much less accurate than these demographic figures. In 1959 a total of about 16 500 Africans were self-employed.<sup>89</sup> The 1969 census arrived at a figure of nearly 19 000 self-employed Africans.<sup>90</sup> In 1979 the *Rhodesia Herald* reported that there were about 20 000 African businessmen and businesswomen, three quarters of whom were supposed to be based in the rural areas.<sup>91</sup>

From recent studies on the issue of informal sector employment in Zimbabwe it would appear that all these earlier estimates highly underrated the size of the informal sector,<sup>92</sup> particularly the number of women in it.

<sup>86</sup> Interview with Ernest Chiweshe, Harare, 20 Nov. 1987.

<sup>87</sup> Hawkins, 'The economy', 19-24; Zimbabwe, *Rep. of the Commission of Inquiry into Incomes, Prices and Conditions of Service* (Chairman: R. C. Riddell) (Salisbury, Govt. Printer, 1981).

<sup>88</sup> Rhodesia, *Census of Population, 1969* (Salisbury, Central Statistical Office, 1971), 7; Central Statistical Office, *Monthly Digest of Statistics: December 1981* (Salisbury, Central Statistical Office, 1982), 1.

<sup>89</sup> *Daily News*, 23 Apr. 1960.

<sup>90</sup> Rhodesia, *Census of Population, 1969*, 184.

<sup>91</sup> *Rhodesia Herald*, 4 Oct. 1979.

<sup>92</sup> A further example of underrating is R. Davies's study *The Informal Sector: A Solution to Unemployment?* (Gwelo, Mambo Press, 1978), 11, where the urban informal sector is estimated to comprise only 6 000 businesses in 1978.

The World Bank reports that 131 000 Zimbabweans were employed in the informal sector in 1982 of whom 107 000 were women.<sup>93</sup> If one calculates 1.8 people per business, one would arrive at about 72 000 informal businesses in 1982, or about 60 000 at the time of Independence. It can be assumed that nearly all of these businesses were informal ones. Therefore, a figure of 60 000 African-owned businesses at the time of Independence seems realistic.<sup>94</sup>

The 1969 census gives a breakdown of the approximately 19 000 African business people recorded at that time. The main sectors in which these business people were active are shown in Table III.

*Table III*

MAIN OCCUPATIONS OF SELF-EMPLOYED AFRICANS  
(EXCLUDING FARMERS) 1969

<i>Production and related workers</i>	10 260	
of whom	4 880	were builders and construction workers.
<i>Sales workers</i>	3 850	
of whom	1 800	were street vendors,
and	1 650	were working proprietors, managers and assistants (wholesale and retail).
<i>Administrative and managerial workers</i>	1 070	
of whom	1 040	were businessmen
<i>Professional, technical and related workers</i>	800	
of whom	470	were herbalists, dentists and related workers
<i>Others</i>	1 320	

*Source:* Rhodesia, *Census of Population, 1969* (Salisbury, Central Statistical Office, 1971). The classifications used in this census are extremely ambiguous and incoherent. For example, what is the difference between a 'businessman' and a 'working proprietor'?

<sup>93</sup> World Bank, *The Informal Sector in Zimbabwe: The Role of Women* (Washington, World Bank, Report No. 9006-Zim., 1991), 8. See also the *Financial Gazette*, 6 Feb. 1992, for the figures recorded in a study conducted in 1991 by the United States Agency for International Development.

<sup>94</sup> Obviously, there are enormous problems in establishing reliable figures. When African pass laws were amended in 1961 and urban African business persons were no longer obliged to register (see footnote 45) it was no longer possible to maintain reliable statistics on African businesses. After Independence statistics did not reflect the racial distribution of economic activities which makes any inference from official sources difficult.

No statistical figures exist on the occupations of African business people at the time of independence.

### **The widening gap in the urban business community**

Already by the early 1950s the more far-sighted White politicians and officials realized that it was necessary to improve the housing conditions of urban Africans in order to stabilize the skilled industrial, commercial and clerical workforce. In 1955 the liberal Todd government introduced a home-ownership scheme and a 99-year-lease of plots in Salisbury and Bulawayo. 'The scheme is an answer', remarked Jasper Savanhu, the African Federal MP, 'to the aspirations of the better class of urbanized Africans and a demonstration of the Government's intention to implement partnership.'<sup>95</sup> J. Chrowodza, a prominent businessman from Salisbury, felt delighted: 'Now I feel I have a future in this country.'<sup>96</sup> Some years later, African businessmen for the first time opened shops which they had built on their own. The urban authorities felt that this new scheme would strengthen the sense of responsibility of African entrepreneurs and rid the Council of the cost of erecting shops for African traders.<sup>97</sup>

The Land Apportionment Amendment Act (No. 54 of 1960), went a step further. It allowed Africans to acquire full title-deeds in some areas and to build houses and shops in these areas which could be mortgaged by building societies. In 1963, the first ten freehold titles were issued in Highfield, an African township at the outskirts of Salisbury. Among the freeholders were a number of prominent African businessmen.<sup>98</sup>

But still the European urban areas remained closed to African enterprise. The *African Businessman* criticized the Land Apportionment Amendment Act for not allowing Africans 'to trade in the the centre of town or buy property in parts of the residential and business areas of the towns . . .'.<sup>99</sup> In 1962 some industrial areas in Salisbury were opened to African business. The Council even considered opening the central business area of the city since many shops were abandoned because of the economic recession in the early 1960s. But the idea never got off the ground.<sup>100</sup>

<sup>95</sup> *Parade*, Apr. 1955.

<sup>96</sup> *Ibid.*

<sup>97</sup> Salisbury Municipality, 'Director of Native Administration, Annual Report 1960/1962' (Salisbury, unpubl., 1962), 27; *African Businessman*, 14 Apr. 1961.

<sup>98</sup> *African Businessman*, 15 June 1963.

<sup>99</sup> *Ibid.*, 17 June 1961. This criticism was not quite valid. The Land Apportionment Amendment Act (No. 54 of 1960) empowered local authorities to allow Africans to 'acquire, lease, use or occupy' land in their commercial areas for business purposes. But only in two smaller settlements, Gwelo and Selukwe, were the authorities prepared to make use of this provision. See Natl. Arch., Record Centre, Ministry of Internal Affairs, location 5.10.2 F, box 70523, file NEM 29/5, Under-Secretary for National Economics and Marketing to Secretary of Prime Minister, 13 May 1963.

<sup>100</sup> *African Businessman*, 8 Dec. 1962.



Even some African business people were hesitant. They considered the move as 'one which is intended to give Europeans the right to overpower the small African traders in the township'; in other words, European businessmen would ask for equal rights in Black townships.<sup>101</sup> The Rhodesian Front exploited this fear when it canvassed for commercial segregation in its election campaigns.<sup>102</sup> When the Front came to power any further liberalization of urban African trading was stalled for a long time.

The 1960s and 1970s saw the consolidation of the more substantial African businesses in the retail and transport industry. Already by the late 1950s African transport operators had formed private companies, often brothers being the shareholders. They gradually improved their organizational structure and their management techniques. More finance was made available to successful and reliable African entrepreneurs. As a consequence, the leading operators could buy out smaller ones and could build up considerable fleets comprising twenty or more vehicles.<sup>103</sup>

As businessmen became more successful they could afford to live 'in style'. In the early 1960s Marimba Park was established on the western edge of Salisbury as a suburb for upper-class Africans. Thirty stands of one or two acres were allocated to affluent Africans with the obligation to build houses of a minimum value of £2 500 or £5 000, respectively.<sup>104</sup> From Bulawayo the *African Businessman* reported that 'there is an undeclared, tacit but real competition among African businessmen . . . for who will drive the best and biggest car this year . . . Mr. Robinson Vera, who runs a butchery, is now driving around in a posh 1961 Ford Galaxy'.<sup>105</sup> However, these examples of an elevated life-style should not obscure the fact that

<sup>101</sup> *Ibid.*, 27 July 1963.

<sup>102</sup> In an advertisement published in the *Daily News* on 30 Nov. 1962, the Rhodesian Front claimed that 'the [Land Apportionment] Act protects the African from exploitation. Proof of this is given by the number of bus operators, traders, butchers, farmers, mechanics and general dealers spread throughout the country. This protection will fall away if the Act is repealed.'

<sup>103</sup> V. Wild, 'Role and Profiles of African Business in Road Motor Transportation in Colonial Zimbabwe, 1940-1965' (Harare, unpubl., 1990), 25-50. In his article, 'Internal dependency and African economic performance in colonial Rhodesia: The case of the bus operators in the Salisbury rural areas, 1938-1970', *Zimbabwean History* (1979), X, 51-64, M. J. M. Sibanda has given some information on the history of African bus operations. However, the article has a number of serious flaws. The concept of 'dependency', a fashionable term at the time, is never explained in the article. As a matter of fact, African bus operators had considerable support from (White) finance houses, suppliers, lawyers and the like and they were afforded a high level of protection from White competition by the authorities of the time. Furthermore, Sibanda overrates the economic performance of African operators; the article fails to take cognizance of the fact that nearly 60 per cent of all businesses collapsed within the first five years of their operation. The main reason for this poor performance was not a lack of capital but of essential management skills.

<sup>104</sup> *African Businessman*, 21 Apr. 1961.

<sup>105</sup> *Ibid.*, 20 May 1961.

the number of rich African business people remained very small throughout the whole period.

At the lower end of the African business pyramid things looked very different. Since rural African incomes lagged behind urban wages, huge numbers of Africans from the rural areas flocked into the towns in search of work or any other way of making a living or simply in order to join their families. With the relaxation of the pass laws effective urban influx control had become a thing of the past.<sup>106</sup> Thousands of Africans set themselves up in unregistered urban self-employment.

In 1968, the Salisbury Municipal Director of African Administration warned the Council that 'a "Black Flood" is endangering the peace, administration and prosperity of the city'. He pleaded for the reintroduction of the old pass laws and for firm influx control. In this context, the Director pointed towards the dangers arising from the operations of the petty African traders. 'Many of the hawkers . . . are in league with petty criminals and pass on information about the absence of residents in houses or blocks of flats: in other words, they "case the joints" before burglaries.'<sup>107</sup>

The urban informal sector as it was now called was out of control and it stayed that way until Independence and after.

### **The impact of the war of liberation**

The development of some sectors of African enterprise particularly in the rural areas was interrupted by the civil war, the national struggle for independence, which started in the late 1960s and was at its height from 1976 to 1979. Large areas of the countryside were infiltrated or even controlled by the guerrilla armies.

The African bus operators suffered particularly from the war since most of their routes ran through the rural areas. Buses were attacked, petrol was rationed, spares were hard to obtain and the issue of new Road Service Permits was restricted. In 1977 the *Rhodesia Herald* reported that '35 buses valued at more than £1,5 million have been destroyed by fire or landmines since the start of the terrorists' war. . . . Rhodesian authorities have suspended 83 services to the rural areas costing the black operators thousands of dollars'.<sup>108</sup> Josephat Ruredzo, one of the leading African

<sup>106</sup> The amendment of the African Registration Act (*Chapter 76*) and the African Urban Areas (Accommodation and Registration) Act (No. 20 of 1951) in 1961 by the Pass Laws (Repeal) Act (No. 50 of 1960) stirred up considerable controversy among the European population. But finally urban authorities and employers pleaded for the lifting of controls since they caused 'considerable wastage of . . . time and [did not] justify the cost of administration', *Natl. Arch.*, Record Centre Salisbury Municipality, location C 22.20.10 R, box 138589, SM file 15/57/1, jacket 5, Director of Native Administration to Town Clerk Salisbury, 2 Apr. 1959.

<sup>107</sup> *Rhodesian Property and Finance*, Dec. 1968.

<sup>108</sup> *Rhodesia Herald*, 11 Feb. 1977.

operators, had many of his buses burnt out by the guerrillas. His profit dropped by 60 per cent within one year and he had to lay off part of his workforce.<sup>109</sup>

No better was the lot of the rural African traders. A Mr Pasipanodya, 'a middle class businessman' from Buhera, who ran a general-dealer store and a bottle store reported how he suffered from both sides, from 'the boys' as well as from the security forces. He was questioned by the Rhodesian army and arrested. When he returned, people had stolen goods from the store. First the army stopped him from selling maize meal, clothes and other items often supplied to the guerrillas by rural stores. Then it closed all the shops in the district. The 'comrades' do not appear to have behaved any better: as he lamented, 'how many shops have been emptied by them without buying anything are not countable. How many people have been killed because they are said to be *vatenges* [sell-outs] are not countable . . . [They also] have taken all my money through many different ways.'<sup>110</sup> Solomon Tawengwa, a leading African businessman, estimated that between 30 and 60 per cent of all rural businesses collapsed during the war.<sup>111</sup>

### The transition to Independence

Many years before the end of the war some Whites knew that White rule would not last the thousand years predicted by the Prime Minister Ian Smith. As the *Financial Mail* observed, 'There is a growing appreciation of the signs that suggest there is no future for the European in Rhodesia if he does not have the support of the Africans.'<sup>112</sup>

This new awareness was particularly marked in some White business circles. In 1976 the Associated Chambers of Commerce of Rhodesia (ACCOR) started talks with leading African businessmen about abolishing commercial segregation. The President of ACCOR expressed the belief that 'we have a great potential as a country if we take all capitalist motivated people with us. I am not interested in a man's colour.'<sup>113</sup> Issues such as 'the Black consumer' and 'tomorrow's economy: political settlement' became more and more topical at ACCOR meetings, and ACCOR forums were addressed by prominent African speakers such as Bishop Muzorewa, the leader of the United African National Congress.

To prolong the life of White rule in Rhodesia, Ian Smith agreed to a

<sup>109</sup> *Commerce*, Mar. 1978.

<sup>110</sup> A copy of Mr Pasipanodya's report was given to me by Sr J. McLaughlin in January 1990. The original may be found in the files of the Catholic Commission for Justice and Peace in Zimbabwe. See also I. Staunton (ed.), *Mothers of the Revolution* (Harare, Baobab, 1990), 128-9.

<sup>111</sup> *Illustrated Life Rhodesia*, 23 Nov. 1978.

<sup>112</sup> *Financial Mail* [Salisbury], 2 Nov. 1973.

<sup>113</sup> *Commerce*, July/Aug. 1976.

compromise with the moderate African leaders. In 1979 Muzorewa became Prime Minister of the Transitional Government. Muzorewa pursued a policy of multiracial capitalism in which Black business was supposed to play the role of the junior partner. An African, Ernest Bulle, was appointed Co-Minister of Commerce and Industry. Segregatory legislation was finally abolished and the commercial centres of the towns were opened to African businessmen.<sup>114</sup> For a short while, expectations of a rise of Black capitalism rose so high that a nationalist newspaper wrote: 'Black business in this country is growing to challenge the white commercial establishment. . . . Black business today is very much on a par with its white equivalent.'<sup>115</sup>

Anticipations were different at the other end of the business spectrum. In February 1980, two months before the African people of Zimbabwe finally achieved majority rule, an article appeared in ACCOR's magazine *Commerce* under the title 'The future of black business'. It read: 'The white business community is anxious to ensure its place in the new scheme of things. Its interest can be served by aligning itself with the emerging class of black business entrepreneurs, some of whom will have ready access to those who take power.' This article reflected many of the apprehensions and expectations of the White business community. But the author got the post-Independence scenario wrong. White business was not to align itself with Black business interests but with the new Black power élite, while the Black entrepreneurs were left out in the cold. However, this discussion is beyond the scope of this article.

## CONCLUSION

African business did not arise simply from the internal dynamics of the pre-colonial agricultural society. It was the result of colonial occupation and subsequent economic penetration as well as an ongoing cultural diffusion. It is unlikely that, without the new economic opportunities afforded to African through colonialism, without the growth of new markets and the introduction of money, and without the diffusion of institutions of knowledge and norms of modern business, a nucleus of indigenous modern business would have emerged.

However, on the other hand, colonial rule constrained economic opportunities for African business. Access to markets, finance and skills were restricted and various means of socio-cultural segregation and exclusion prevented further diffusion. The purpose of these constraints

<sup>114</sup> Among other measures, the Muzorewa Government tried to assist the African transport operators whose businesses were ailing under the losses incurred during the war. A fund of £2.5 million was made available to help the operators to pay their creditors and to save their assets which were repeatedly seized and sold in execution, see *Rhodesia Herald*, 1 Nov. 1979.

<sup>115</sup> *National Observer*, 26 Aug. 1978.

was to some degree to protect the economic interests of those sectors of the settler community such as White farmers and artisans who felt threatened by Black competition. The overriding concern of White settlers and the overriding principle in official attitudes towards Black business, however, would appear to have been to maintain certain acceptable standards. Where African business could comply with those standards and did not interfere with White economic interests, it was fairly free of government interference and restrictions.

The impact of colonial rule on the different strata of Black business varied. It is interesting to note that the informal sector, the lowest stratum of Black business, which actually competed least with White economic interests, was most heavily suppressed by colonial policies. In contrast, the African business élite participated in the colonial economy on increasingly equal terms, as it gradually adapted Western standards of business conduct.