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# Book review: Africanisation, nationalisation and inequality - mining labor and the Copperbelt in Zambia development

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Review:

Africanisation, Nationalisation and Inequality - Mining Labor and the Copperbelt in Zambia Development, by Philip Daniel (Cambridge: Cambridge University Press, 1979)

Philip Daniel has here compiled valuable data to explicate the consequences of the changed structure of Zambia's post independence mine labor force. In so doing, he fills a serious gap in the literature relating to third world mining economies, and exposes some long-standing myths concerning Zambia's mine workers.

Daniel holds that, at independence, the Zambian government confronted three tasks: 1) eliminating the European miners' monopoly status while securing adequate skilled labor supplies; 2) expanding the mines' output while Zambianizing the labor force, without undue wage increases; and 3) mobilizing the mine workers to support national development. The government focused on Zambianization and mine expansion. It acquiesced to the mining companies' program of converting the European work force to three year contracts and promoting Africans to middle level posts by fragmenting jobs and training them. This restructuring of the labor force introduced a new hierarchy among the African workers, creating a new labor aristocracy. After initial wage increases and incremental advances up the first rungs of the new promotion ladder, however, the un- and semi-skilled workers (more than two thirds of the labor force) found themselves at a significant disadvantage. The new

'mining' structure, Daniel shows, in effect promoted an enlarged, entrenched bureaucracy of European managerial, supervisory and training personnel, joined over time by a relatively small group of elite African employees. In the 1970s, the Europeans, 7.1 percent of the labor force, still received about 40 percent of the total wage bill. When the world copper price fell in the mid-70s, the industry could no longer afford the resulting swollen labor cost.

Daniel exposes two myths widely held in Zambia. First, mine productivity appeared to stagnate, not because of the Zambianized work force's inefficiency, but due to the declining quality of ores mined and the enlarged managerial bureaucracy. Second, the mine workers did not become wage leaders for the entire economy. To ensure a stable, skilled mine labor force, the mining companies did pay significant wage increases to end the colonial tradition that wages need only sustain single men for short contract periods (on the assumption that wives and children remained self-supporting in the rural areas). Employers in other sectors gradually adopted this new approach, although those in agriculture lagged behind. Average African mine wages appeared to continue to rise, but in reality this reflected the upgrading of a relatively few African employees to skilled and supervisory status. The government policy of combining all African workers in a single bargaining unit enabled the better paid, more skilled workers to dominate the union, which agreed to relatively low wages for the bulk of un- and semi-skilled workers.

Daniel cites data revealing greater unemployment on the Copperbelt than in urban areas elsewhere in Zambia. Unemployment rates appear especially high among women (57%) and youth (61% among 15-19 year olds; 33% among 20-24 year olds). More unemployed live in the mine workers' larger-sized households than in owner-built 'squatter' shanties. This suggests, though Daniel does not explicitly say so, that mine workers' wages must also finance welfare benefits for extended family members unable to find jobs because of the lack of productive employment opportunities, not only on the Copperbelt, but throughout the country.

By 1970, the mine workers could in ~~no~~ sense any longer be considered wage leaders. Daniel suggests that further erosion of the real wages of the majority of miners could be expected to stimulate discontent.

Unfortunately, Daniel tends to bury, rather than illuminate the theoretical implications of his analysis, un-systematically heaping up data. More seriously, he fails to adequately think through the relationship between his findings and the larger development issues confronting Zambia and other mining economies. He correctly holds that Zambia's post independence socio-economic policies tended to aggravate the nation's dependence on copper exports. He tends, however, to concentrate on the distorted resource allocation pattern, rather than the inadequacy of the post independence institutional reforms (including government's 51 percent takeover of the mines). As a result, he partially describes, but fails to adequately explain, the impact of the enlarged government and managerial bureaucracy on national policy. Only creation

of a more participatory state structure and implementation of a long-term development strategy designed to provide productive employment and raise living standards of the mass of the population could have reduced external dependence. But this would have threatened the growing power and privilege of the expanding bureaucratic-managerial bourgeoisie. Instead, this group short-sightedly pressed for expanded copper exports, insisting these promised future augmented government revenues and foreign exchange earnings. As critics predicted at the time, however, these failed to materialize. By the mid '70s as Daniel notes, government's mine returns had plummeted from over half to a bare one percent of its total revenues, plunging the economy into crisis. Daniel does not really evaluate government's response, advised by the International Monetary Fund, though he does indicate that devaluation spurred inflation, further reducing the miners' real wages.

Daniel's own suggested 'macroeconomic policies and development strategy' do not seem to encompass those which would logically emerge from a more thorough integration of his own analysis into a wider development context. Proposals for a national wage policy, regulation of Zambian currency, stabilization of mining returns and measures to stimulate food production, could only be effectively implemented in the context of an overall income and investment strategy backed by creation of new, participatory institutions. These would need to be designed to: 1) avoid perpetuation of a managerial-bureaucratic elite, benefitting from the status quo; and 2) ensure reinvestment of available surpluses to promote increasingly productive

employment opportunities throughout an increasingly integrated, balanced and self-reliant economy.

Nevertheless, those readers with the patience to plough through Daniel's pages of detailed data will discover valuable nuggets of information which should contribute significantly to more effective development strategies in third world mining economies.

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