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ARTICLE

'Propping up the rebellion': Big business, late colonialism, and decolonisation in Rhodesia, 1966–1979

Victor Muchineripi Gwande

History Department, University of the Free State, South Africa
Email: gwandevm@ufs.ac.za

Abstract

This paper examines the role of big business as the linchpin of late colonialism in Rhodesia (colonial Zimbabwe) during its Unilateral Declaration of Independence (UDI) years between 1966 and 1979. After Rhodesia's rebellion against Britain in 1965, London and the world, through the United Nations, responded by imposing sanctions against Salisbury, hoping to bring it to legality quickly. However, Rhodesia survived the expected impact of sanctions until its demise in 1979. Scholarship has accounted for this survival in various dimensions, emphasising the role of white solidarity/redoubt in the region, manipulation of the market and sanction busting or breach by friendly states and businesses. Regarding sanction busting, less accounted for are the other major sanction busters, except for well-known governments of Portugal, South Africa, and the USA, as well as British and South African oil firms. Using primary documents from British archives and intelligence work, this paper shows the specific companies that were the raison d'etre of late colonialism and the British government's response and actions against these firms. The paper argues that by acting as conduits for Rhodesia's access to international markets, British firms kept its economy going, thereby propping up and propelling the Rhodesian rebellion, paying and sustaining late colonial rule, and delaying the decolonisation of Rhodesia. The paper further shows the duplicity and indecisiveness of the British government in dealing with the Rhodesian problem, thus elongating settler rule. In doing so, the paper thus contributes to the historiography of the politics and economics of late colonialism and the role of business in decolonisation in Southern Africa.

Keywords: Rhodesia; big business; sanction-busting; late colonialism; decolonisation

Introduction

On 11 November 1965, the Prime Minister of then-Southern Rhodesia (now Zimbabwe), Ian Douglas Smith, announced the 'independence' of the colony from Britain in the act of rebellion that became known as the Unilateral Declaration of Independence (UDI). The rebellion lasted until 1979 following ceasefire negotiations between Rhodesia's white minority government and the African nationalist parties, Zimbabwe African National Union (ZANU) and Zimbabwe African Patriotic Union (ZAPU), both of which had resorted to an armed guerrilla war in response to the UDI. Brokered by the British at Lancaster House in London, the peace pact became known as the Lancaster House Agreement. It marked the end of ninety years of white colonial rule and culminated in black majority rule in 1980. Rhodesia's declaration of a UDI when Britain was retreating from its empire lent it the characterisation of late colonialism. According to Jan C. Jansen and Jurgen Osterhammel, late colonialism, at one level, entailed "political reforms and constitutional changes and socioeconomic development programmes … intended to cautiously expand the opportunities for the colonised population to participate in local government."[1] At another level, "late colonialism witnessed expansion and improvement in the institutions of state repression: aerial surveillance and larger intelligence and security apparatuses were to guarantee a more efficient use of physical force."[2] John Darwin, in his analysis of "what was the late colonial state," described these two features as the "proactive or developmental and security state."[3]

The first level, which Jansen and Osterhammel explained and Darwin called the proactive or developmental state, fitted perfectly into the post-Second World War reconfiguration of colonial society described as the "second colonial occupation" by Donald A. Low and John M. Lonsdale.[4] It was a period of "a revival and strengthening of Britain's imperial commitment."[5] As Nicolas J. White observed, overseas trade and investment statistics for the UK between 1955 and 1959 showed that there was imperial consolidation as forty-five percent of British imports were obtained from the empire commonwealth while fifty-one percent of exports were destined to the same and stood at sixty percent in the 1960s.[6] The creation of the Central African Federation (Federation of Rhodesia and Nyasaland), 1953–1963, reflected the complexity and the go-stop-go affair that characterised Britain's late colonialism post-1945.[7] Post-war Southern Rhodesia up to 1963, thus, in part, reflected that complex British retreat from the empire.

As the Central African Federation collapsed in 1963, Southern Rhodesia fell into the second level of late colonialism, which was described by Darwin as a "security state" that was resorted to when "colonial rule [was] threatened with armed resistance by the colonial population."[8] Following the Federal dissolution, the Rhodesian Front government in Southern Rhodesia engaged in negotiations for independence, under white minority rule, with Britain.[9] When these negotiations collapsed, the white minority government proclaimed a UDI. Consequent to the rebellion, Britain and the United Nations imposed economic sanctions on the rebel colony, now renamed Rhodesia.[10] At the same time, African nationalists raised their opposition to the regime into an armed struggle. Faced with economic sanctions and armed resistance from African nationalist movements, the Rhodesian state became highly coercive (to both white and black political opposition) and securitised.

[1] Jan C. Jansen and Jurgen Osterhammel, *Decolonisation: A Short History* (Princeton: Princeton University Press, 2017), 56. See also, John Darwin, "What was the Late Colonial State?," *Itinerario* 23: 3–4 (1999), 77.

[2] Jansen and Osterhammel, *Decolonisation*, 63.

[3] Darwin, "What was the Late Colonial State?," 76–81.

[4] Donald A. Low and John M. Lonsdale, 'Towards the New Order 1945–1963," in *The History of East Africa* III, eds. D.A. Low and A. Smith (Oxford: Oxford University Press, 1976), 12–6.

[5] Francine McKenzie, *Redefining the Bonds of Commonwealth, 1939–1948: The Politics of Preference* (London: Palgrave Macmillan, 2002).

[6] Nicolas J. White, "Decolonisation in the 1950s: The version according to British Business," in *The British Empire in the 1950s: Retreat or Revival*?, ed. by Martin Lynn (New York: Palgrave MacMillan, 2006), 101.

[7] Andrew Cohen, *The Politics and Economics of Decolonisation in Africa: The Failed Experiment of the Central African Federation* (London: I.B. Tauris, 2017).

[8] Darwin, "What was the Late Colonial State?," 79.

[9] For details of these discussions, see Luise White, *Unpopular Sovereignty: Rhodesian Independence and African Decolonisation* (Chicago: University of Chicago Press, 2015); Alois Mlambo, "From the Second World War to UDI, 1940–1965," in *Becoming Zimbabwe: A History from the Pre-colonial Period to 2008*, eds. Brian Raftopoulous and Mlambo (Harare: Weaver Press, 2009), 75–114; Frank Clements, *Rhodesia: The Road to Collision* (London: Pall Mall Press, 1969); and Larry Bowman, *Politics in Rhodesia: White Power in an African State* (Cambridge, MA: Havard University Press, 1973).

[10] The decision to rename the territory "Rhodesia" was made by the Rhodesian Front Government and was not legally accepted by the British state. Consequently, all references to the territory throughout this period in British government correspondence still refer to "Southern Rhodesia" and its "Illegal Declaration of Independence (IDI)".

Settler colonialism consolidated and intensified.[11] Commenting on UDI, Julius Nyerere of Tanzania remarked that

> The hostility aroused by the Smith Declaration of Independence is based on rational interpretation of its purpose and its effects in relation to the total legitimate goals of Africa. For this rebellion is not an uprising of the people, it represents an attempt to expand the area, and strengthen the hold in Africa of doctrines which are inimical to the whole future of freedom in this continent. It represents an advance by the forces of racialism, fascism and indeed colonialism in Southern Africa.[12]

The regime in Rhodesia was constituted by a white minority with no black African participation in the government or franchise. It tightened its hold on the African population, entrenching its colonial control. It is against this backdrop that the UDI years were a late colonial period.

Rhodesia's UDI generated huge academic interest. The causes, course, and consequences of the UDI have been explored in the literature.[13] Suffice to say, international isolation through economic sanctions and the armed liberation struggle were the biggest corollary. Yet, for fourteen years until its demise in 1979, Rhodesia largely withstood the impact of these. Scholarship has accounted for this survival, highlighting the role of white solidarity/redoubt in the region, market manipulation, and sanction busting or breaching by friendly states and businesses.[14] However, William Minter and Elizabeth Schmidt have argued that sanctions worked and brought pressure to bear on Rhodesia.[15] These differing views on the effects of sanctions on Rhodesia fit into the debates within the broader literature on the efficacy of sanctions. Two strands of scholarship are apparent within this debate: those who argue that sanctions work and those who argue otherwise. For example, Daniel Drezner, Elizabeth Rosenberg, and Jordan Tama have argued, using the case of US sanctions on a number of countries, that they have been successful.[16] Meanwhile, George A. Lopez and David Cortright have argued that sanctions sometimes produce contrary effects

[11] Robert. Good, "Settler Colonialism in Rhodesia," *African Affairs* 73: 290 (1974), 24–32.

[12] As cited in Tonye A. Whyte, "U.S. Reaction Towards U.N. Sanctions against Rhodesia from I965–1977s: An Analysis" (Masters Thesis, Atlanta University, 1981), 8.

[13] See Carl P. Watts, *Rhodesia's Unilateral Declaration of Independence: An International History* (Basingstoke: Palgrave, 2012); Joseph Kurebwa, *The Politics of Economic Sanctions on Rhodesia [Zimbabwe] 1965 to 1979* (Harare: University of Zimbabwe Publications, 2012); James Barber, *Rhodesia: The Road to Rebellion* (London: Oxford University Press, 1967); Keith Young, *Rhodesia and Independence: A Study in British Colonial Policy* (London: Dent, 1967); Leonard Kapungu, *Rhodesia: The Struggle for Freedom* (New York: Orbis Books, 1974); Martin Loney, *Rhodesia: White Racism and Imperial Response* (Harmondsworth: Penguin, 1975); Anthony Verrier, *The Road to Zimbabwe 1890–1980* (London: Jonathan Cape, 1986); and Peter Godwin and Ian Hancock, *"Rhodesians Never Die": The Impact of War and Political Change on White Rhodesia c. 1970–1980* (Oxford: Oxford University Press, 1993).

[14] David M. Rowe, *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia* (Chicago: Chicago University Press, 2001); Mlambo, "Honoured More in the Breach than in the Observance': Economic Sanctions on Rhodesia and International Response, 1965 to 1979," *South African Historical Journal* 71: 3 (2019), 371–393; Fillipe. R. de Meneses, and Robert. McNamara, *The White Redoubt, the Great Powers and the Struggle for Southern Africa, 1960–1980* (Palgrave Macmillan, London, 2018); Tinashe Nyamunda, "In Defence of White Rule in Southern Africa: Portuguese–Rhodesian Economic Relations to 1974," *South African Historical Journal* 71: 3 (2019), 394–22.

[15] William Minter and Elizabeth Schmidt, "When Sanctions Worked: The Case of Southern Rhodesia Re-Examined," *African Affairs* 87: 347(1988), 207–37.

[16] Daniel W. Drezner, "Sanctions Sometimes Smart: Targeted Sanctions in Theory and Practice," *International Studies Review* 13:1 (2011); Elizabeth Rosenberg and Jordan Tama, *Strengthening the Economic Arsenal: Bolstering the Deterrent and Signaling Effects of Sanctions* (Washington DC: Center for a New American Security, 2019).

to those intended.[17] However, in the case of Rhodesia, the (in)efficacy of sanctions was due to a number of factors that scholars have examined. For one, sanctions allowed the Rhodesians to 'manipulate the market' in a manner that promoted economic nationalism while at the same time strengthening the conservative elements within the settler society.[18]

Others even questioned the manner and intention with which sanctions were imposed. It has been argued that sanctions were never meant to end the rebellion but were merely intended to deflect international demand for more drastic measures against Rhodesia while at the same time allowing Britain to remain in control of the situation, a position which it always desired from the onset.[19] Furthermore, the forewarning and piecemeal implementation of sanctions gave Rhodesia the time and space to prepare and adjust its economy.[20] Yet, for others, the complicity of specific businesses in sanction-busting allowed the Rhodesian economy to survive. For example, Andrew Cohen and Jorge Jardim examined how oil companies were key in navigating oil sanctions.[21] In their analysis, they pointed out the activities of Shell, British Petroleum (BP), and Lonrho. These were not the only firms involved in evading sanctions, as will become apparent in this paper. Besides aiding Rhodesia through sanctions-busting, Ian Phimister and Victor Gwande have also argued that local businesses, particularly in the manufacturing sector, pledged their support by increasing production to keep the economy going.[22] This paper builds on this literature that has advanced the complicity of businesses in sanctions evasions by examining the business' specific activities and modus operandi in sustaining white minority rule in Rhodesia during its UDI years between 1966 and 1979.

Using primary documents from British archives and intelligence work, this paper shows the specific companies involved in busting the sanctions, their methods, and their impact on sustaining the late colonial rule in Rhodesia. The paper argues that without the support and complicity of big business, late colonialism was unfathomable and impossible in Rhodesia. Big business kept its economy going, thereby propping up and propelling the Rhodesian white minority rule; paid and sustained late colonial rule and delayed the decolonisation of Rhodesia. The paper further shows the duplicity and indecisiveness of the British government in dealing with the Rhodesian problem, which elongated late colonialism. In doing so, the paper thus contributes to the historiography of the politics and economics of late colonialism and the role of business in decolonisation in Southern Africa.[23]

[17] David Cortright and George A. Lopez, "Assessing Smart Sanctions: Lessons from the 1990s," in *Smart Sanctions: Targeting Economic Statecraft*, eds. D. Cortright and G. A. Lopez (Lanham, MD: Rowman and Littlefield Publishers, 2002).

[18] Rowe, *Manipulating the Market*; Kapungu, *The United Nations and Economic Sanctions Against Rhodesia.*

[19] Andrew Cohen, "Lonrho and Oil Sanctions against Rhodesia in the 1960s," *Journal of Southern African Studies* 37: 4 (2011), 716; Rowe, *Manipulating the Market*, 2.

[20] Nyamunda, "Financing the Rebellion: The Rhodesian state, financial policy and exchange control, 1962–1979," (PhD Thesis, University of the Free State, 2015).

[21] Cohen, "Lonrho and Oil Sanctions against Rhodesia," 715–30; Jorge Jardim, *Sanctions Double-Cross: Oil to Rhodesia* (Bulawayo, Books of Rhodesia, 1979).

[22] Ian Phimister and Victor Gwande, "Secondary Industry and Settler Colonialism: Southern Rhodesia before and after the Unilateral Declaration of Independence," *African Economic History* 45: 2 (2017), 85–12.

[23] See variously, Robert Tignor, *Capitalism and Nationalism at the End of Empire: State and Business in Decolonizing Egypt, Nigeria and Kenya, 1945–1963* (Princeton: Princeton University Press, 1998); M. Misra, *Business, Race and Politics in British India, c. 1850–1960* (Oxford: Oxford University Press, 1999); Sarah Stockwell, *The Business of Decolonization: British Business Strategies in the Gold Coast* (Oxford: Oxford University Press, 2000); Nicolas White, "The business and politics of decolonization: the British experience in the twentieth century," *Economic History Review* 53: 3 (2000), 544–64; Larry Butler, "Business and British Decolonization: Sir Ronald Prain, the Mining Industry and the Central African Federation," *Journal of Imperial and Commonwealth History* 35: 3 (2007), 459–84; Cohen, "Business and Decolonization in Central Africa Reconsidered," *Journal of Imperial and Commonwealth History* 36 (2008), 641–58; and

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The Rhodesian regime reformed its economy to sustain its settler rule during international isolation and internal political instability. It manipulated the market and threatened the nationalisation of expatriate big businesses, thus extracting support from such firms. As highlighted earlier, that support came through by either increasing production or sanction-busting to keep the economy going. Indeed, the involvement of big businesses was widely acknowledged. For instance, according to a report by the United Nations Security Council's Sanctions Committee in 1978, 593 companies allegedly broke sanctions, of which 444 were British and 92 were American firms.[24] Some of these businesses' key roles in sanction-busting are discussed in the following pages. The analysis begins by explaining the logic behind imposing sanctions on Rhodesia and how it responded to the same, including co-opting big businesses to fend off the sanctions and the British response to both Rhodesia and big businesses for their involvement in sustaining the Rhodesian economy. Through their complicity, big businesses propped up and prolonged white minority rule in Rhodesia. The analysis leans to the observation by John Mackenzie's claim that empire [colonial rule] was made possible by capitalism [which big business represented]; they made the late colonial moment happen.[25]

The Imposition and Logic of Economic Sanctions

Economic sanctions are broadly intended to cause a change in the domestic behaviour of another country or to enforce international best practices by punishing those countries seen as violating such accepted norms.[26] For this reason, Rhodesia was punished with economic sanctions to change its domestic economic and political behaviour following its UDI from Britain. Sanctions were considered an appropriate option mainly for two reasons. To begin with, Rhodesian settlers were considered 'kith and kin' of the British. Britain could thus not use military intervention to restore legality in Rhodesia.[27] The British Prime Minister, Harold Wilson, made it clear during the negotiations with Ian Smith on the eve of UDI that a resort to armed force against Rhodesia was unfathomable.[28] Sanctions became the only inevitable option. Economic sanctions targeted Rhodesia's trade (exports and imports), financial markets, and investments. The logic behind these targets was that, as Alois Mlambo and others noted, Rhodesia's economy was export-oriented and, thus, vulnerable. Tobacco and gold dominated its range of exports. "In 1965, exports accounted for approximately 40% of Rhodesia's Gross National Income, with tobacco accounting for 30%."[29] Rhodesia also wholly depended on imports for its oil supplies.[30] Heavily dependent on two main exports and with no seaport nor its own oil wells, the Rhodesian economy was ideal for the success of economic sanctions. It would surely suffer the effects that would force it to abandon UDI, so was the conviction. This vulnerability of Rhodesia created optimism within Whitehall that the colony would quickly return to legality and end colonial rule.

Phimister, "Corporate Profit and Race in Central African Copper Mining, 1946–1958," *Business History Review* 85: 4 (2011), 749–74.

[24] Mlambo, "Honoured more in breach than Observance," 4.

[25] As cited in White, "Decolonisation in the 1950s," 100.

[26] Rowe, *Manipulating the Market*, 1.

[27] George Bishi, "Kith and kin? Rhodesia's white settlers and Britain, 1939–1980," (PhD Thesis, University of the Free State, 2018).

[28] *Rhodesian Herald*, 28 October 1964.

[29] As cited in Mlambo, "Honoured more in breach than Observance," 3.

[30] Centre for Social Action, *The Oil Conspiracy* (The United Church of Christ, 1976) [Hereafter, The Oil Conspiracy], 3.

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Following the white rebellion, London enacted the Southern Rhodesia Act (1965) on 16 November 1965, providing the legal premise for introducing economic sanctions.[31] Britain and the United Nations (UN) imposed economic sanctions on Rhodesia and applied them piecemeal initially. The first financial sanctions were introduced from 12 November 1965 to 16 December 1966.[32] Further British embargoes followed. The rebel colony was suspended from Commonwealth trading preferences, and in the Sterling Area, access to the London capital markets was blocked while Rhodesian tobacco (the biggest export), sugar, and other products were embargoed, too. Meanwhile, Britain and Rhodesia engaged in negotiations on the latter's 'return to legality' aboard the British ship HMS *Tiger* (Tiger Talk proposals). Ian Smith's Cabinet rejected the proposals in December 1966. In response to this rejection, the British Foreign Secretary, George Brown, pushed for a UN Security Council resolution for comprehensive mandatory sanctions against Rhodesia.

Consequently, the United Nations passed Security Council Resolution 232 (1966), which declared the Rhodesian problem a 'threat to international peace and security' and called on all member states to terminate any form of trade with the rebel colony.[33] These were further extended and strengthened in May 1968 through the Security Council Resolution 253 (1968).[34] The implication of all these sanctions on Rhodesia was economic disaster. "Sanctions were designed to create a major economic slowdown, high unemployment, reduce incomes, prompt disinvestment of capital and generally stimulate a depression to rapidly and bloodlessly force Rhodesia back to legality," so that "in a matter of weeks and not months," the rebellion could end.[35] Yet, for fourteen years, the Rhodesian economy survived. The ability of the Rhodesians to survive the onslaught of sanctions gives credence to the conclusion by some scholars that sanctions may not be an effective tool of statecraft and instead result in unintended consequences.[36] As Rowe has shown, sanctions gave the Rhodesian state the space to manipulate the market and exert its full influence across the country, resulting in cohesion within Rhodesian white society.[37] How Smith achieved this cohesion triggers us to understand the Rhodesian response to sanctions and how that enabled it to entrench settler colonial rule in the twilight of the empire.

Response to Sanctions

In October 1964, Harold Wilson had forewarned Smith that a UDI would attract sanctions. Rhodesia, therefore, prepared for that eventuality and reconfigured its economic policies to deal with the emerging potentially harsh economic environment of sanctions and isolation. Rhodesian businesses supported the economic realignment. In the pre-UDI era, businessmen in the industry under the Association of Rhodesian Industries (ARnI) released a statement that should a UDI be pronounced, the effects would be catastrophic for industry, leading to widespread unemployment due to loss of markets.[38] Other business organisations, such as the Association of Chambers of Commerce of Rhodesia (ACCOR), the Rhodesian Institute of Directors, and the Rhodesia Tobacco Association, condemned

[31] Cohen, "Lonrho and oil sanctions," 721.

[32] Gwande, *Manufacturing in Colonial Zimbabwe, 1890–1979: Interest Group Politics, Protectionism and the State* (Suffolk: James Currey, 2022), 156. See also Nyamunda, "Financing rebellion," 97–11.

[33] Mlambo, "Honoured more in Breach than Observance," 2.

[34] Ibid.

[35] As cited in Gwande, *Manufacturing in Colonial Zimbabwe*, 156–7.

[36] Rowe, *Manipulating the Market*, especially Chapter 7; Margaret P. Doxey, *Economic Sanctions and International Enforcement* (London: Macmillan, 1980); and Donald L. Losman, *International Economic Sanctions: The Case of Cuba, Israel and Rhodesia* (Albuquerque: University of New Mexico Press, 1979).

[37] Rowe, *Manipulating the Market*, 167–70.

[38] *Rhodesia Herald*, 28 October 1964; Phimister and Gwande, "Secondary Industry and Settler Colonialism," 97.

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the idea of a UDI. Once the Smith government responded with its own White Paper, the associations were cowed into silence. The White Paper, titled *Economic Aspects of a Declaration of Independence* spelt out that countermeasures had been put in place in anticipation of sanctions. It further encouraged UDI because "in the long-term Rhodesians [had] nothing to lose but all to gain by accepting their responsibilities and becoming completely independent as a sovereign State."[39]

With such boldness and assurances, businesses felt compelled to rally behind the state. They "pledged support to the government, stressing their responsibility to maintain production and employment at high levels."[40] However, as scholars have shown, this support was not willingly rendered.[41] According to Rowe, the Smith regime muzzled business by retaliating harshly against anyone who mobilised political opposition against it, thus forcing them into acquiescence.[42] Ceasing operations was unfathomable either as

> Cessation of business would leave them with heavy losses on assets and future incomes, while opposition to the regime had a cost in the form of penalties for transgression of more strictly enforced business practices. A way forward was needed. For the most part, it was found in gradual compliance with the de facto authority.[43]

Several other government policy decisions enforced compliance.[44] Some businesses made their own decisions. For example, mining companies like the American Union Carbide transferred large mineral stockpiles to ports in territories neighbouring Rhodesia, where the country-of-origin would be more difficult for sanctions enforcers to determine.[45] However, the biggest response to Rhodesia's sanctions was sanction-busting. This involved both international governments and businesses. While the international governments are known,[46] less obvious, though, was who precisely these businesses were and their motives. The following section turns to this aspect.

Sustaining late colonial rule: Business and sanction-busting

Rhodesia withstood the intended impact of embargoes and international isolation. Big business and countries that enabled white colonial rule in Rhodesia to endure for as long as it did are elucidated in what follows. Many governments and businesses in Europe had found ways to continue doing business with Rhodesia despite the imposition of selective mandatory sanctions. In a conversation between C.W. Saunders (Board of Trade) and John Whitehorn of the Confederation of British Industries (CBI), it was revealed how a representative of the Dutch tobacco industry association had bragged about how they "had no difficulty in getting all the Rhodesian tobacco they wanted," which he quickly attempted to explain away by saying it was the "long term contracts" they had with Rhodesia.[47]

[39] *Rhodesia Herald*, 27 April 1965.

[40] Phimister and Gwande, "Secondary Industry and Settler Colonialism," 99.

[41] Rowe, *Manipulating the Market*; Duncan G. Clarke, *Foreign Companies and International Investment in Zimbabwe* (Gweru: Mambo Press, 1980); Patrick Bond, *Uneven Zimbabwe: A Study of Finance, Development and Underdevelopment* (Trenton, NJ: Africa World Press, 1998), 122–23.

[42] Rowe, *Manipulating the Market*, 111–13.

[43] As cited in Phimister and Gwande, "Secondary Industry and Settler Colonialism," 99.

[44] Phimister and Gwande, "Secondary Industry and Settler Colonialism," 99–00.

[45] *The Oil Conspiracy*, 4.

[46] Mlambo, "Honoured more in breach than Observance" discusses in detail the countries involved.

[47] The National Archives [Hereafter, TNA] FCO 35/87, Confederation of British Industries Assessment of Sanctions; Letter by JRA Bottomely to Clinton-Thomas, 04 May 1967.

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An almost similar argument was employed by Union Carbide when it lobbied for an exception to the US government not to sanction Rhodesian chrome in 1970.[48]

When Britain initially imposed trade embargoes and bans on exports to and imports from Rhodesia, over 40 countries followed suit, while Rhodesia's major trading partners (Germany, Italy, Japan, and the United States of America [USA]) implemented partial bans. Portugal and South Africa completely ignored the measures. Most of the embargoes were enforced through import control.[49] For a moment, sanctions had an effect, though not a serious one. For example, Rhodesian exports in 1965 were valued at £142m. Of this figure, £60m went to the Southern African region, and in 1966, this trade had fallen to £50m. The £82m previously exported to countries outside southern Africa reduced to £30m per year. The countries that took this £30m trade were West Germany, the USA, Switzerland, Portugal, and Italy.[50] As of 1966, sanctions had only bitten off 44% of Rhodesian exports (£62m out of £142m) for the following reasons: (i) the willingness of South Africa (£20m), Portugal (£2m) and Switzerland (£2m) to continue trade with Rhodesia, (ii) the dependence of Zambia (£20m) and other Southern African territories (£10m) on supplies from Rhodesia and most importantly, "the issue of false certificates of origin and the ease with which Rhodesian exports through Lourenco Marques could be passed off as of South African origin."[51] Due to these schemes, cumulatively, the effect of sanctions on exports was, therefore, limited. This meant Rhodesia continued having access to foreign exchange from its exports. With revenue so earned, it could buy crucial imports for its economy, enabling it to further sustain its colonial rule.

The modus operandi of sanction-busters

Rhodesia's access to export markets, imports, and international business was facilitated by several companies that violated embargoes. The British government named some of the companies that were involved in sanction-busting. The companies included BMW, Volkswagen, (both from Germany), Peugeot (France), Toyota (Japan), and Fiat (Italy). In addition, there was an arms company, Norte Importadora Ltd (Portugal), mining firms Phillips Group (USA), Richard Klinger Int. (Austria), Anglo American Corporation (South Africa), Continental Ore Africa (South Africa), Fedman Ltd (SA), and Eternit International (Belgium).[52] Sudflug of Stuttgart, Germany, sold Aircraft to Meliso of Liechtenstein, for onward chartering to Rhodesia, while Aviolanda of the Netherlands sold DC4 aircraft spares to Lisbon for a Rhodesian aircraft.[53] In the US, the government issued a note verbale to the British Embassy in New York regarding Barclays Bank, Standard Bank, and Netherlands Bank over claims that their branches abroad were actively involved in financing Rhodesian imports and exports when British measures (1966) and UN Sanctions Order (1968) had banned such.[54] The concern was that Britain was duplicitous in implementing sanctions because it let British businesses go scot-free despite conducting business with Rhodesia. Doing so meant that illegal white minority rule could survive a little longer.

48 Whyte, "U.S. Reaction Towards U.N. Sanctions against Rhodesia," 50–4.

49 TNA FCO 35/234, Naming British and Firms Engaged in Evading Sanctions; Industry: Companies and Corporations: British and Foreign Firms: Blacklist, no date.

50 Ibid.

51 Ibid.

52 TNA FCO 35/234, Naming British and Firms Engaged in Evading Sanctions; Industry: Companies and Corporations: British and Foreign Firms: Blacklist, no date.

53 Ibid.

54 TNA FCO 35/87, Confederation of British Industries Assessment of Sanctions; Letter by RJR Owen to British Embassy, New York, 21 August 1968.

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In Mozambique, then Portuguese East Africa, business continued as usual as the country handled Rhodesian transactions with the international market. Why Portuguese East Africa facilitated Rhodesian exports and imports should be understood in the context of the white redoubt in Southern Africa between Portugal, Rhodesia and South Africa.[55] Many of the companies doing business in that territory were either subsidiaries or associates of British firms based in Mozambique or South Africa. To illustrate this point, it is instructive to enumerate some of these firms and how they operated. A British firm, Allan Wack and Shepherd, a freight and shipping company, worked with another firm, Manica Trading, through its two subsidiaries, Companhia de Fumigacoes de Mozambique (CAFUM) and Eduardo Manuel Madeira da Silva and Augusto Nogueira Pereira, to ship Rhodesian tobacco to the international market.[56] Another company acting as an agent for Rhodesia in Beira was Nutresco de Mozambique, run by a Portuguese, two South Africans, and two Rhodesians.[57] Rhodesian asbestos was exported through Lourenco Marques as a South African product by combined agencies in Salisbury and Bulawayo, known as Sefa Salisbury/Geneva and Southern Asbestos (Johannesburg).[58] Turner & Newall of Manchester owned Southern Asbestos. Turner and Newall mined asbestos in Rhodesia and sold it to Southern Asbestos, which then forwarded it to Lourenco Marques as a South African product for onward exportation to European markets.

Zambian branches of Rhodesian and British firms were also involved. For example, a Rhodesian company, Crompton Parkinson, registered an office in Zambia and rented half of it to another local company. Crompton Parkinson had no staff except a "clerk who knew every detail of the game."[59] A representative of the Rhodesian firm frequented Zambia to make arrangements for conducting their international transactions. The Zambian branch created its own letterheads bearing the Zambian address and contact numbers, which it then used to get orders from the British parent company worth £40,000 and dispatched them to Zambia.[60] The shipping was done via Beira. Curiously, before the goods reached Beira, the Rhodesian branch, using the Zambian connection, wrote to agents in Beira advising them to deliver the shipment in Salisbury by-passing the Zambian branch, which on record was the importer.[61] The complicity of Portuguese authorities in Beira made the change of destination of the orders easy. Effectively, goods were exported to Rhodesia from Britain despite sanctions.

In another case, a company based in Zambia advised an Italian firm that

> The best method to adopt with Rhodesian orders is that the buyer will make available, by letter of credit to a bank in Italy, payment for the goods. The buyer's name will not appear on any invoices or cases or cartons, only the name of the clearing agent at Port Elizabeth or Beira. He in turn will ship the goods by rail from the port of entry to the customer [often], based in Rhodesia.[62]

As explained in the next subsection, this practice was known as the "paperchase" scheme and was more common in oil imports. These violations were reported to Zambian

[55] For more, see de Meneses and McNamara, *The White Redoubt, the Great Powers and the Struggle for Southern Africa*; Nyamunda, "In Defence of White Rule in Southern Africa," 394–22.

[56] TNA FCO 35/141, Sunday Times Insights on Sanction-busting, Telegram from Beira to Foreign office, 1 August 1967.

[57] Ibid.

[58] Ibid.

[59] *Times of Zambia*, 14 June 1967.

[60] Ibid.

[61] Ibid.

[62] Ibid.

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authorities, who could not take decisive or drastic action against the local companies for fear of retaliation by Rhodesia. The Zambian government could not risk such retaliation because of how dependent and interconnected its economy was to Rhodesia, in what Clarence Chongo described as a "hostage economy," a legacy of the Federation of Rhodesia and Nyasaland (1953–1963).[63]

The British stance that UK companies with subsidiaries in Rhodesia should not engage in changes of ownership or mergers designed to improve the business of their commercial undertakings unwittingly gave a lifeline to the rebel colony's economy. Most British parent companies remained in control of their Rhodesian subsidiaries and were accountable for those firms.[64] This meant that Rhodesian firms continued to benefit from the experience and expertise of the parent company and, thus, used that leeway to withstand the effect of sanctions and the economy could hold on. Unilever also manipulated that loophole. In 1967, it approved an expansion project at its subsidiary, Lever Brothers (Rhodesia), despite British policy to do everything to blockade the Rhodesian economy.[65] In what was seen as a reflection of its laxity to sanctions violations, the British government deemed the action "not necessarily in violation of the embargo but was against the spirit of the regulations."[66] The ability of Lever Brothers to expand meant that it could produce more and contribute to the import substitution industrialisation which was central to Rhodesia's economic survival under sanctions. The net effect of these laxities was that the Rhodesian regime could focus on the political offensive knowing fully well that the economic front was taken care of. Its colonial rule could last another day on the strength of the support of the complicit big business. Meanwhile, the most notorious firms were in the oil/fuel industry, to which the next section turns.

The Oil Conspiracy

The Rhodesian oil conspiracy and its enabling role in survival has been scrutinised.[67] The existing accounts focused much on British firms, such as British Petroleum and Shell.[68] Yet, the biggest sanction busters in oil supply to Rhodesia were the American multinational company Mobil International, through its subsidiaries Mobil (South Africa) and Mobil (Rhodesia), and the giant South African Anglo American Corporation via its dummy companies. What analysis there is about the two MNCs remains an investigative/intelligence report by the Center for Social Action of the United Church of Christ of America and another master's dissertation written in 1981 at Atlanta University, Georgia, in the US.[69] The intricate details of oil sanctions busting had been made available to the Center for Social Action of the United Church of Christ by OKHELA, an underground group of white South Africans dedicated to combating apartheid.[70] Also, a British economist and researcher, Bernard River, gave testimony to the UN Sanctions Committee about companies supplying oil to

[63] Clarence Chongo, "A Hostage Economy: The Impact of Rhodesia's Unilateral Declaration of Independence on Zambia, 1965–79," *Southern Journal for Contemporary History* 47: 2 (2022),4–29. See also, Teverayi Muguti and Sandra Swart, "'A Necessary Evil?': (Southern) Rhodesia's Diplomatic and Economic Relations with Zambia, 1963 to 1973," *Journal of Southern African Studies* 50: 2 (2024), 331–346.

[64] TNA FCO35/85, Rhodesian Subsidiaries of British firms; Memo on British subsidiary firms in Rhodesia, 30 March 1967.

[65] *Financial Times*, 16 May 1967.

[66] *Ibid*.

[67] Jardim, *Sanctions Double-Cross: Oil to Rhodesia*; Rowe, *Manipulating the Market*, Chapter 6.

[68] See for example Martin Bailey, *Oilgate: The Sanctions Scandal* (London: Coronet Books, 1979).

[69] *The Oil* Conspiracy; Whyte, "U.S. Reaction Towards U.N. Sanctions Against Rhodesia."

[70] See the covering statement to *The Oil Conspiracy*, 21 June 1976.

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Rhodesia in breach of sanctions.[71] He had been researching the oil sanction-busting from 1974 until 1976. In some instances, River's testimony at the UN even borrowed from the Oil Conspiracy exposé.

Apart from Jorge Jardim's confessions in his book, *Sanctions Double-Cross: Oil to Rhodesia*, almost all accounts of the Rhodesian oil conspiracy rely on the investigative work by the Center for Social Action.[72] This remains the most comprehensive account of how Rhodesia got its oil. Even the Smith Papers released by Rhodes University's Cory Library, consisting of Rhodesian government white papers, Cabinet minutes, and correspondences on the decision and policy-making processes by the Rhodesian Front government during UDI, have not shed more light on sanction-busting. This leaves the Oil Conspiracy report as the most reliable source to account for sanction-busting. This section, thus, benefits from that investigative report and Tonye Whyte's detailed accounts of the oil conspiracy to show how big business propped up Rhodesia's white minority rule. It further focuses on Anglo's role in Rhodesia's survival more intimately than existing accounts.[73]

In the early stages of post-UDI, the government conducted its business through a "private" company, GENTA (Pvt) Limited. Registered and listed as a private telephone company, the Rhodesian government wholly owned the entity. The chairperson of the company, George Atmore, and the operations manager, D. Airey, were previously employees of the Ministry of Commerce and Industry. Very few knew of the existence of GENTA and its role. "GENTA's actual role since its establishment [was] twofold: firstly, it serve[d] as a front, to act on behalf of the government; secondly, it exert[ed] a tight control over importation into Rhodesia of the principal oil products and over the activities of the Rhodesian subsidiaries of the various oil companies."[74] All the oil companies operating in Rhodesia were instructed to buy their fuel from GENTA but "an equally remarkable secret [was] that the task of arranging the importation of most of Rhodesia's gasoline (both premium and regular) and diesel and Avtar was apparently allocated by GENTA to one company - Mobil. Other companies were allocated the task of importing Rhodesia's requirements of other fuels - for instance, Shell imported the Avgas 100/130."[75]

Registered in the USA, Mobil had and still has subsidiaries in several countries. In Southern Africa, it wholly owned two main subsidiaries in South Africa, namely, Mobil Oil Southern Africa (Propriety) Ltd (Mobil South Africa], Mobil Refining Company Southern Africa (Propriety) Ltd [Mobil Refinery], which operated a refinery at Durban in South Africa, and Mobil's principal subsidiary in Rhodesia, which it wholly owned, Mobil Oil Southern Rhodesia (Private) Limited [Mobil Rhodesia]. Mobil International put in place an elaborate scheme to supply oil to Rhodesia. "Mobil Rhodesia was asked in the mid-sixties by … GENTA to set up a 'paperchase' of intermediary companies, through which GENTA could import all of Rhodesia's gasoline and diesel requirements from Mobil Oil (South Africa)."[76] The scheme involved the falsification of paperwork and the creation of dummy companies. Mobil Rhodesia's internal documents showed that:

> When orders for lubricants and solvents are placed on our South African associates [(i.e. Mobil (South Africa)], a carefully planned 'paper-chase' is used to disguise the

[71] Southern Africa Perspectives, 'Sanction Breakers: Selling Oil to Rhodesia', p.5, available at http://kora.matrix.msu.edu/files/50/304/32-130-E7F-84-al.sff.document.af000015.pdf, accessed 16/04/2023.

[72] *The Oil Conspiracy*.

[73] See for example, Joseph Hanlon (with Colin Stoneman), *Beggar your Neighbours: Apartheid Power in South Africa* (London: Catholic Institute for International Relations, 1986), 199–18; Thomas Lines, "Investment sanctions and Zimbabwe: Breaking the rod," *Third World Quarterly* 10: 3 (1988), 1182–1216.

[74] *The Oil Conspiracy*, 8; see also "Sanction Breakers: Selling Oil to Rhodesia," 5–6.

[75] *The Oil Conspiracy*, 9.

[76] Ibid., 4.

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> final destination of these products. This is necessary in order to make sure that there is no link between MOSA (Mobil South Africa) and MOSR (Mobile Rhodesia) supplies ... This 'paper-chase' which costs very little to administer, is done primarily to hide the fact that MOSA is in fact supplying MOSR with products in contravention of U.S. Sanctions Regulation ... [77]

If questioned, Mobil International would deny any culpability on the premise that it did not know what these intermediaries did with the fuel it would have sold them. Mobil could also evade responsibility and accountability on a technicality. Following UDI, many subsidiaries of foreign companies were now "directed" under Rhodesian law, and the parent companies could claim no control over their subsidiaries' operations, although they remained under them and had not been nationalised.[78] Mobil hid under this veil of powerlessness.

Up to 1968, fuel was sold to Rhodesia in the following manner. GENTA would order the quantities of fuel it needed from Mobil South Africa. In correspondence with the British government, Tiny Rowland, the managing director (later chairman) of Lonrho, revealed how the GENTA chairman frequented South Africa "every six weeks to negotiate with Shell, BP, Mobil and Caltex on the quantities and prices of fuel to be provided Rhodesia."[79] Once the order was received, Mobil South Africa sold the exact quantity of fuel to the South African state-owned entity, South African Coal, 011, and Gas Corporation Ltd (SASOL), which in turn sold the same quantity to another South African company called Parry Leon and Hayhoe. On receiving an invoice for the fuel from SASOL, Parry Leon and Hayhoe forwarded it to Mobil (Rhodesia) for payment. Because this was pre-arranged, no invoice was issued in the name of Mobil Rhodesia. By so doing, they avoided any paper trail and escaped detection that oil was being sold to Rhodesia in violation of sanctions. Mobil Rhodesia would honour the 'Parry Leon and Hayhoe invoice'.

Even when Mobil Rhodesia settled the invoice, it did so on behalf of GENTA. The following activity bore this fact. Once the fuel landed in Rhodesia, it was then sold, in agreed proportions, to the five oil companies in Rhodesia, namely Mobil, Caltex, Total, Shell, and BP. The five companies were subsidiaries of international companies. Caltex and Mobil were jointly owned by the US firms Standard Oil Company of California and Texaco; Total was wholly owned by Compagnie Francaise des Petroles in which the French government had a controlling stake, the British and the Dutch jointly controlled Shell, while Britain held a 51% control in BP.[80] Since Mobil Rhodesia bought the same fuel it supposedly paid for to Parry Leon and Hayhoe shows that it was not the real importer. The real importer was GENTA. Through this scheme, Mobil (South Africa) sold fuel to GENTA (a Rhodesian state company) via Mobil (Rhodesia), "with the active assistance of a South African state-owned intermediary (Sasol), and without there being any documentary evidence of a sale to a Rhodesian company by any of the three companies involved in South Africa."[81] The scheme ensured Rhodesia's fuel stations did not run dry, although fuel rationing was introduced. Because the oil supply was central to the functioning of the Rhodesian economy, its guaranteed supply ensured that settler colonial rule continued unabated.

Although the scheme operated smoothly, GENTA requested some changes in the paper-chase. Meanwhile, Parry Leon and Hayhoe changed ownership, which also entailed a relook into the system. Parry Leon and Hayhoe was incorporated into another South African firm called Freight Services Ltd., a shipping and forwarding company. Freight Services Ltd.

[77] Ibid.
[78] "Sanction Breakers: Selling Oil to Rhodesia," 5.
[79] Ibid., 8.
[80] "Sanction Breakers: Selling Oil to Rhodesia," 5.
[81] *The Oil Conspiracy*, 11.

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became a crucial intermediary in evading Rhodesian sanctions and in devising and implementing the new method that GENTA had asked for. Freight Services Ltd. created bogus companies that it used to supply fuel to Rhodesia. The most significant of these (as will become clearer shortly), was called Minerals Exploration Ltd.[82] Two other bogus companies were Rand Oils Ltd, operated by David D. Patrick, and Western Transvaal Development and Exploration Company, run by an attorney, Arnold Jacobus Oberholzer, of the legal firm Oberholzer and van Straaten.[83] All were registered in South Africa. But who was Freight Services? The next subsection addresses this question.

Freight Services Ltd

Anglo American Corporation of South Africa owned Freight Services. Anglo's involvement in evading sanctions is unsurprising because of its vast interests in the Southern African economy. During the late 1970s, Anglo was among the twenty-five largest corporate empires in the world.[84] Commenting on the MNC in 1973, Giovanni Arrighi remarked, 'it is probably right to assume that Anglo American depends neither on British nor South African capitalism but is rather an "independent superstate", an economic empire centred in Southern and Central Africa.'[85] In the context of Rhodesia, Anglo had developed an octopus-like hold on the economy. In 1965, Anglo had taken over all the assets of the British South Africa Company (the colonizing company and government of Southern Rhodesia between 1890 and 1922), making it the biggest 'economic entity apart from the state in terms of either turnover or capital invested.'[86] By 1980, Anglo had 82 companies in which it had one or more directors.[87] Most of the investments were in the commanding heights of the economy. With such a strong presence in the economy, it stood to lose a lot from economic sanctions. It was thus in its interest to work with the Rhodesian state to keep the economy going. Besides, as Andrew Cohen showed, Anglo had earlier supported the United Federal Party, the centrepiece of settler colonial rule, under Roy Welensky during the Federation of Rhodesia and Nyasaland (1953–1963).[88] Against that backdrop, it is not surprising that it helped the Rhodesians to bust the sanctions and sustain its settler colonialism.

It did so through its subsidiary, Freight Services Ltd. Anglo owned Freight Services through its two associated companies, namely, Charter Consolidated Ltd (registered in London), which had a 22.9% shareholding while 56% of the shares were owned by the Anglo American Industrial Corporation Ltd.[89] Collectively, Anglo held almost 90% shareholding. This was the shareholding structure as of 1974. As alluded to earlier, Freight Services used one of its bogus companies, Minerals Exploration Ltd., to supply fuel to Rhodesia. The bogus company then acted as the link for Mobil and Shell/British Petroleum's fuel supplies to Rhodesia. With the assistance of Freight Services, Shell and BP supplied R150 million worth of oil to Rhodesia. For instance, eighty-three fuel-filled railway wagons went up the railway line on 23 October 1974, and the fuel in every one of them "belonged to Freight Services."[90] The fact, though, is that all that fuel belonged to oil companies in Rhodesia. Hiding behind Minerals Exploration Ltd, Anglo via Freight Services "bought and sold oil products valued

[82] Ibid.
[83] Ibid.
[84] Lines, "Investment sanctions and Zimbabwe," 1190.
[85] Giovani Arrighi, "The Political Economy of Rhodesia," in *Essays on the Political Economy of Africa,* eds. G. Arrighi and J. Saul (New York: Monthly Review Press, 1973), 355.
[86] Hanlon, *Beggar Your Neighbour*, 201.
[87] Clarke, *Foreign Companies and International Investment in Zimbabwe*, 70.
[88] Cohen, "Business and Decolonisation in Central Africa Reconsidered," 641–58.
[89] *The Oil Conspiracy*, 30.
[90] Gwande, *Manufacturing in Colonial Zimbabwe*, 183.

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at tens of millions of dollars each year for Mobil; it arranged printing of bogus invoice forms for these companies and handled their money."[91]

The scheme smoothened in 1975 following the restructuring of Freight Services. In July 1975, the holding firm for Freight Services, Freight Services Holdings Ltd., merged with two other companies to form Aero Marine Freight Services Holdings Ltd, whose control was jointly exercised by the Anglo American Investment, also called (Safmarine).[92] Curiously, William Francis de la Harpe Beck, who at the time was the Chairman and Managing Director of Mobil (South Africa) and Chairman of Mobil (Rhodesia), was appointed to the board of Safmarine. Beck's appointment to Safmarine was unusual because "it was apparently the first time that a head of a Mobil subsidiary had joined a company outside of the Mobil empire."[93] The move was calculated to perfect the paperchase scheme as Beck could easily "get oil products from the one company he chair[ed] to the other one," thus evading sanctions easily.[94] By June 1976, when the scheme was busted, Rhodesia had been able to get oil supplies in spite of the oil embargoes. Late colonialism, manifesting itself as settler colonialism in Rhodesia, had survived the sanctions onslaught since 1966 with the help of big business.

Meanwhile, the geopolitics of the region post-1975 undercut the ability of Rhodesia to continue sanction-busting and maintain its settler-colonial rule. All clandestine transactions and trade previously conducted via Beira and Lourenco Marques were no longer possible following the independence of Mozambique in 1975. The black government of Samora Machel was pro nationalist movements and blocked any Rhodesian businesses from being conducted via its ports. After this, South Africa was the only friendly country remaining. However, South Africa received massive international criticism after the 1976 Soweto uprising and the harsh government response. The United Nations, through the Security Council Resolution S/RES/392 (1976), called "for a total embargo on all supplies for the armed forces and police in South Africa, and for the total isolation of the South African racist regime."[95] The situation left South Africa under pressure to contain its own crisis. Battling his own challenges, South African Prime Minister B.J. Vorster met with the US Secretary of State, Henry Kissinger, to map out a way to persuade Ian Smith to end the rebellion under the détente policy.[96] Although this failed, it revealed that support for the rogue Rhodesian regime was waning. Meanwhile, the nationalist movement intensified its guerrilla warfare. Businesses which were supporting Smith realised the inevitability of African majority rule and began to warm up to African nationalists.[97] Maintaining colonial rule under the circumstances became costly, unprofitable, and unsustainable. These developments marked the beginning of the end of the Rhodesian rebellion, which eventually happened in December 1979 at the Lancaster House talks.

British Response

Britain was aware of the sanction-busting. But its response was muted. Although in April 1977, the British Foreign and Commonwealth Office, after pressure from the Anti-Apartheid

[91] Ibid.

[92] *The Oil Conspiracy*, 30.

[93] Ibid.

[94] Ibid.

[95] H. Pohlandt-McCormick, "'I Saw a Nightmare": Doing Violence to Memory: The Soweto Uprising, June 16, 1976," available at http://www.gutenberg-e.org/pohlandt-mccormick/pmh03j.html, accessed 28/04/2023, 1338hrs.

[96] J. Miller, "Voortrekker or State Builder? John Vorster and the Challenges of Leadership in the Apartheid State," in *Leadership in Colonial Africa. Palgrave Studies in African Leadership*, eds, J. B.G. (New York: Palgrave Macmillan, 2014), 115–37.

[97] Gwande, *Manufacturing in Colonial Zimbabwe*, 185–89.

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Movement, commissioned an inquiry "to establish the facts concerning the operations whereby supplies of petroleum and petroleum products have reached Rhodesia," there was criticism of how the investigation had been narrowed down to a "point of law."[98] At one level, it threatened legal action against those British firms whose subsidiaries in Rhodesia aided the rogue colony. For other countries and international firms, it possessed no such authority. It could only master persuasion and encouragement of the host governments to act against their firms. The evading countries could only be reported to the United Nations. Britain also considered naming and shaming the sanction busters. Harold Wilson instructed that an examination be made of the possible ways of tightening existing embargoes on Rhodesian exports, and in particular,

> Of the possibility of some form of blacklist on firms, shipping companies, among others, designed so that firms or ships avoiding the embargo would be denied facilities for British Trade or in the case of ships, would be excluded from carrying British cargoes – on the analogy of the blacklist by the Americans of British ships engaged in trade with Cuba or North Vietnam.[99]

The possibility of blacklisting was not likely because of the cumbersome process involved and the need to protect sources of information about the evasions and breaches of embargoes. Furthermore, blacklisting foreign companies was likely to incur the animosity of other countries that could allege interference with their nationals.[100] Claims could also be made that Britain sought to apply its jurisdiction outside its proper confines, of which it held no such *locus standi*. While these considerations were happening, the British compiled a list of firms involved in sanction-busting but held back from publishing it. The hesitation was that "if we supplied a list of these firms to other Commonwealth countries, the parent company in Britain might be blackened by association and Commonwealth countries might be led to discriminate against its product."[101] This seemingly considerate decision was moot, though. British companies were already suffering, in other ways, from the government's decisions, as reported by the Confederation of British Industries (CBI).

The CBI Rhodesia Committee, led by Trevor Peppercorn (chair) and John Whitehorn (Deputy Director General and Overseas Director), met with the Secretary of State on 17 October 1967 to express their views regarding the Rhodesian situation. The CBI had long followed the British sanctions policy on Rhodesia, but members were beginning to question it. It was the unanimous view of the CBI members that sanctions against Rhodesia had had no success in bringing about the desired political change and showed no signs of doing so. Furthermore, members of the Committee stressed that they would no longer be able to cooperate with the HM Government's policies if it acted against travel and communications facilities for people in Rhodesia.[102] Others were considering a political pressure group against the government's policy. More so, CBI argued that it was British manufacturers and traders who were suffering much greater losses in Rhodesia than those of other countries because they were complying with British policy, while others from other countries had no such obligation. The Motor Industry cried the loudest. Ford and the British Motor Corporation were pressured to keep up production or pave the way for Japanese

[98] "Sanction Breakers: Selling Oil to Rhodesia," 8.

[99] TNA FCO 35/234, Naming British and Firms Engaged in Evading Sanctions; Industry: Companies and Corporations: British and Foreign Firms: Blacklist, no date.

[100] Ibid.

[101] Ibid.

[102] TNA FCO 35/87, Confederation of British Industries Assessment of Sanctions; Memorandum on Rhodesia by Bottomley, 28 November 1967.

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and French firms.[103] Parent companies in Britain and Canada were caught in a dilemma as increasing production would attract sanctions from the British, while non-compliance with Rhodesians could result in loss of business. British indecisiveness about bringing Rhodesia back to legality allowed the rebel colony to manoeuvre around sanctions and extend its settler colonial rule. Right until the end, the Rhodesians played on the laxity of the British to be decisive. Without definite punishment of firms by Britain, several British businesses kept Rhodesia afloat. With business support, Rhodesian minority rule lasted until 1979. Settler colonial rule lasted as long as it did on the strength of capitalism.

Conclusion

Since UDI, big business consistently shored up the minority regime and its settler colonial rule, advancing business and settler interests while undermining the interests of the black majority population. That big business was central to the sustenance of late colonialism in Rhodesia buttresses Mackenzie's assertion that capitalism [of which big business represented] underpinned the existence of the empire. Without the complicity and acquiescence of capital, UDI as a last vestige of colonialism would have been impossible. Instead of the UDI period signifying independence as the settlers claimed, the extremism and excessive oppression with which the Rhodesian state dealt with the African majority in the country pointed to a consolidation of colonial rule, underpinned by settler colonialism. For this reason, Rhodesia's UDI represented a form of late colonialism. Despite the efforts to dismantle Rhodesian settler colonialism through the introduction of sanctions and international ostracisation, the settler regime survived with the support of big business.

This article sought to articulate how late colonial rule and the decolonisation of Rhodesia was prolonged. Businesses that rendered support by keeping production up and busting sanctions were at the centre of propping up and propelling it. When UDI was declared in November 1965, Rhodesia was punished with sanctions, hoping to bring it back to legality in a matter of weeks rather than months. The expectation was that sanctions would cause economic disaster, which would, in turn, force a change in political behaviour. As it turned out, that failed. The Rhodesian regime survived the economic onslaught right until the end. As some scholars have shown, sanctions and international isolation forced the Ian Smith government into a coercive and more oppressive mode. The business community within the colony found itself facing a stark decision on whether to cease its operations and risk losing investments or support the regime, but face international condemnation. Many firms went with the regime and helped it withstand sanctions.

The discussion has enumerated and demonstrated how those businesses supported the Rhodesian regime. Companies either increased their production locally, thereby contributing to the import substitution industrialization, which was a key pillar to Rhodesian economic survival, or they created conduits for access to international markets. Keeping up production meant manufacturing industries expanded and created huge employment for both whites and Africans. That helped to keep potential high unemployment in check. Access to international markets meant the colony could earn some foreign exchange, which was also crucial for its imports, particularly oil and spares for aircraft and industrial machinery. Big businesses also played a significant role in supplying oil to the country. The paper has shown that giant firms like Mobil and Anglo devised an elaborate scheme underpinned by what they called paperchase and the creation of dummy companies to evade detection of their violations of sanctions.

Moreover, the overall consequence of the involvement of big business was that it undermined the effectiveness of sanctions. With guaranteed support for its economic activities,

[103] TNA T295/118, Effect on the Motor Industry of UK Restriction on Trade with Rhodesia, July 1966.

the Rhodesian regime could focus its attention on politically defeating African nationalists who were increasingly threatening the survival of the white minority government. Although the regime stood strong for a while, the pressure of armed guerilla war, the high cost of doing business in a sanctions environment, and the waning support from business and South Africa struck a blow to the colony's survival. It is no wonder the Smith government gave in and agreed to end the rebellion and allow for majority rule. The fact that Rhodesia had survived the onslaught for fourteen years underscores big business's significant role in sustaining late colonialism and delaying decolonisation. The impotency of the British government in dealing decisively with the known sanction-busters, some of which were its own state companies like BP and Shell, while some were under its jurisdiction, further emboldened both Rhodesia and the big business to continue with their shenanigans. This further gave credence to the view that Britain was never committed in the first place to inflict economic damage to its kith and kin in Rhodesia, a situation which Rhodesians manipulated for their survival.

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Victor Muchineripi Gwande is a Senior Lecturer in History at the University of the Free State. He is also an alumnus of the African Humanities Programme and the University of Michigan African Presidential Scholars (UMAPS) programme. He has research interests in the economic, business, and labour history of Southern Africa, spanning the 20th century to the present, as well as youth, governance, and democracy issues. A recipient of several grants and fellowships, he is also well-published with a single-authored book and many articles in international and regional journals.

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