RURAL DEVELOPMENT THROUGH INDUSTRIALISATION: A CASE STUDY OF MANSA BATTERIES LIMITED, 1978-1994

By

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THE UNIVERSITY OF ZAMBIA

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DECLARATION

I, Kelvin Chola, do hereby declare that this dissertation represents my own work and that it has not previously been submitted for any degree, diploma, or other qualification at this or any other university. Where information has been derived from other sources, I confirm that this has been indicated in the dissertation.

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APPROVAL

This dissertation of Kelvin Chola is approved as fulfilling part of the requirements for the award of the degree of Master of Arts in History by the University of Zambia.

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ABSTRACT

The study traces the origin and development of Mansa Batteries Limited with the view of examining the challenges the Company faced, as well as assessing its socio-economic impact on the people of Mansa and the neighbouring districts. It reveals that the need for regional balancing in terms of allocating industries in the country and the presence of Manganese in Mansa were the major factors which led to the establishment of the battery factory in the area. The study indicates that Spark batteries constituted of mostly imported raw materials; a situation which management through the Company's Research Committee attempted to turn around by substituting foreign raw materials with local ones. However, the attempts failed to a great extent since most of the raw materials which Mansa Batteries Limited sought to purchase from local suppliers were processed from imported inputs, which made the manufacturers not to venture into commercial production due to difficulties faced in importing such inputs. The study shows that Mansa Batteries Limited faced numerous operational challenges which included capacity underutilisation, machine breakdowns, lack of foreign exchange to purchase foreign raw materials, components and machinery; inadequate qualified personnel and poor product quality. The study reveals that typical of most parastatals in Zambia, Mansa Batteries Limited faced administrative challenges and political interference which largely contributed to its poor performance. Additionally, the study shows that economic problems such as loan repayment obligations, credit sales, Kwacha depreciation and trade liberalisation negatively affected the performance of the Company. The study further demonstrates that the numerous operational, administrative and economic challenges the Company perpetually faced over the years induced liquidity problems which became very serious in 1993, and resulted in frequent closures of the factory in 1993 and 1994, before it was finally placed under receivership by the Development Bank of Zambia in November, 1994.The study argues that in spite of the numerous challenges the Company faced, it had positive economic and social impact on the people Mansa and the neighbouring districts.

DEDICATION

Dedicated to my wife Peggy Mwita, and our children Mapalo and Lubuto

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ABBREVIATIONS AND ACRONYMS

BSAC	British South Africa Company
DBZ	Development Bank of Zambia
IDAT	Industrial Development Advisory Team
IEL	International Enclosures Limited
IMF	International Monetary Fund
INDECO	Industrial Development Corporation
ISI	Import Substitution Industries
KBF Ltd	Kariba Battery Factory
KTC	Kawambwa Tea Company
MBL	Mansa Batteries Limited
MBS	Mununshi Banana Scheme
MDPP	Manpower Development and Planning Programme
MEC	Matsushita Electric Company
MMD	Movement for Multi-Party Democracy
MnO_2	Manganese Dioxide
MPL	Mwaiseni Properties Limited
MT	Metric Tonnes
NRC	Nzeru Radio Company
RDC	Research Development Committee
SAP	Structural Adjustment Programme

SI Ltd	Sanyu International Limited
UDI	Unilateral Declaration of Independence
UNIDO	United Nations Industrial Development Organisation
UNIP	United National Independence Party
ZCBC	Zambia Consumer Buying Corporation
ZCCM	Zambia Consolidated Copper Mines
ZESCO	Zambia Electricity Supply Corporation
ZIMCO	Zambia Mining and Industrial Corporation
ZNBS	Zambia National Building Society
ZNMWC	Zambia National Wholesale Marketing Corporation
ZNPF	Zambia National Provident Fund
ZPA	Zambia Privatisation Agency

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CHAPTER ONE

INTRODUCTION

1.1 Introduction and historical background

Between 1970 and 1980, a number of rural development projects were launched in Zambia, including Mansa Batteries Limited (MBL). Many scholarly works on rural development in Zambia focused on agricultural projects. Thus, a historical analysis on the contribution of MBL to the socio-economic development of Mansa has not been fully covered. This study traces the origin and development of MBL, examines the challenges encountered by the entity, and further assesses its social and economic impact on the people of Mansa and the neighbouring districts. The study begins in 1978 when MBL was officially opened and terminates in 1994 when the Company was closed down. Before Zambia gained independence, Mansa was called Fort Rosebery. Similarly, Zambia was called Northern Rhodesia while Zimbabwe was called Southern Rhodesia. Thus, in this work, the names Fort Rosebery and Mansa, Northern Rhodesia and Zambia, as well as Southern Rhodesia and Zimbabwe are used interchangeably depending on the context and time.

At independence in 1964, Zambia faced numerous challenges. One of the challenges was the struggle to gain control of mineral wealth, which was in the hands of the British South Africa Company (BSAC). Additionally, the economy was not only lopsided (dominated by the mining and export of raw copper) but also dual in the sense that the provinces situated along the line of rail (Copperbelt, Central, Lusaka and Southern Provinces) were in a relatively developed state, while the rest of the country remained underdeveloped.[1] It was against this background that the United National Independence Party (UNIP) government under the leadership of Dr. Kenneth Kaunda attempted to diversify the economy and develop rural areas through the adoption and implementation of two strategies namely; development of agriculture and industrialisation. The stated approach to development was referred to as balanced development.[2]

[1] D. L. Dressang, *The Zambia Civil Service: Entrepreneurialism and Development Administration* (Nairobi: East African Publishing House, 1975), 191.
[2] Patrick Ollawa, 'Development Strategy and Performance in Zambia: An Evaluation of Past Efforts', *African Studies Review,* Volume 21, Issue 2 (1978), 104.

Rural development refers to a comprehensive societal change that involves the transformation of agriculture (mechanisation and commercialisation) and diversification of the rural economy coupled with substantive improvements in access to socio-economic services, and infrastructure in rural areas. It involves the reintegration of disrupted rural political economies. This implies a reconstruction of rural life according to contemporary principles of self-reliance, social equality, and popular participation.[3] Rural development requires that rural communities reduce reliance from outside and increase the generation and investment of resources within the locality.[4] In practice, rural development becomes a matter of spreading employment opportunities and social services to those in a rural society who have been historically disadvantaged, subordinated or excluded.[5]

The imbalance between the rural and urban sectors which was reflected at independence grew rather than diminished in the first five years of Zambia's independence. From 1964 to 1968, the real per capita income for Zambian mine workers rose from K960 to K1 300 per annum; an increase of 35 percent. Over the same period, the average per capita income for Zambian wage-earners outside the mining sector rose from K420 to K640; an increase of 52 percent, while the average per capita income of the Zambian peasant farmers who constituted 80 percent of the total national population rose from K140 to K145, a mere increase of 3 percent.[6] Kaunda's political philosophy of humanism sought to create an egalitarian society in which there was equal opportunity for self-development for all. He wanted the gap between rural and urban incomes to be bridged. This was reflected in his speech at the Second National Convention in Kitwe, in 1969 which read in part that:

> As long as we are saddled with the imbalance between rural and urban areas, we will never solve social and economic problems. Our first priority must be to develop the subsistence economy to the point where it can compete on more or less equal terms with the urban industrial sector.[7]

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[3] Dudley Seers, 'The Meaning of Development', in Norman Uphoff and Warren Ilchman (ed.) *The Political Economy of Development* (London: Heinemann, 1973), 123.
[4] Michael Bratton, *The Local politics of Rural Development: Peasant and Party-State in Zambia* (London: University Press of New England, 1980), 1.
[5] Seers, 'The Meaning of Development', 123.
[6] Government of the Republic of Zambia (GRZ), *Report of the Second National Convention,* held in Kitwe on 15th December, 1969.
[7] GRZ, *Report of the Second National Convention*, 1969.

To realise the objective of rural development, Kaunda emphasised the need for proper co-ordination between the Ministry of Development and Finance, and the rural areas.

Debates on rural poverty, rural development and the implementation of rural development projects in Africa in general, and in Zambia in particular can be traced back to the colonial era. Among British colonies, colonial development was guided by the principle of territorial self-sufficiency.[8] However, the principle in question was a mockery to a colony like Northern Rhodesia where almost all the resources were externalised. Dressang stated that despite the British government taking over the administration of the territory from the BSAC in 1924, the company retained mineral rights forever. Only a small part of mineral wealth remained in the country because the shareholders in the mining companies had their dividends remitted overseas. The British government diverted even the little that was meant for the development of Northern Rhodesia.[9] Dressang's idea was supported by Andrew Roberts who argued that from 1930 to 1940, Britain had kept to herself £2,400,000 in taxes from Copper, while Northern Rhodesia received from Britain only £36,000 in grants for development.[10]

Another reason for rural underdevelopment was that some British colonial administrators in Africa had developed an attitude of encouraging Africans to stay in rural areas where the former felt that the latter were satisfied with their culture, and therefore needed no development.[11] Consequently, colonies in general and rural areas in particular were neglected. Discussing lack of rural development in Zambia, Patrick Ollawa stated that in what used to be known as Northern Rhodesia, there was a total neglect of rural development. No set of policies guided the actions and orientations of the colonial administrators towards incorporating the rural sector in the overall framework of economic and political development.[12]

However, Britain began to consider the agenda for the development of rural areas in her colonies after the Second World War of 1939-1945. The British paradigm shift after the war was for selfish interest, which included among other reasons a strategy aimed at enabling her colonies to

[8] Mike Cowen, 'Early Years of the Colonial Development Corporation: British State Enterprise Overseas during Late Colonialism', *African Affairs*, Volume 83, No. 330 (1984), 63.
[9] Dressang, *The Zambia Civil Service and Development Administration*, 17.
[10] Andrew Roberts, *A History of Zambia* (London: Heinemann Educational Books, 1976), 193.
[11] A.M. Champion, *Native Welfare in Kenya* (Nairobi: Colonial Office, 1994), 8.
[12] Patrick Ollawa, *Rural Development Policies and Performance in Zambia: A Critical Inventory* (Hague: Institute of Social Sciences, 1977), 1.

raise funds to pay for their own services so as to relieve pressure on the British pound. Megan Vaughan observed that in an attempt to make the empire pay and to relieve pressure on the pound sterling, African colonial economies were drawn into a closer relationship with the metropole. Rural East and Central Africa were seen as having the potential to produce more dollar-earning crops and money from the Colonial Development Welfare Fund was directed towards raising incomes and income-producing capacity of rural dwellers.[13] From the British economic point of view, one of the chief reasons for encouraging colonial economic development was to develop alternative sources of supply of dollar earning goods in the colonies as a way of closing up what was referred to as the dollar gap which became apparent after the war.

In Northern Rhodesia, rural development projects were implemented when the colonial government introduced the Ten-Year Development Plan (1947-1957), which had a component of rural development that was meant to assist the people in rural areas to develop their areas under the Native Authority. However, the initial Rural Development Allocation of £1,498,813 was reduced to £1,000 000, once the colonial government had made a resolution that all Rural Development Projects required a reasonable measure of self-help from Africans who would benefit from the projects. Additionally, Africans were expected to make financial repayments in whole or in part for additional projects to be financed in future.[14]

However, most of the rural development projects which were initiated in Northern Rhodesia were inclined towards agriculture, which only dealt in raw agricultural products and no deliberate attempt was made to establish secondary industries. One of the reasons for not priotising the establishment of such industries in rural areas was that generally, the purchasing power of Africans in Northern Rhodesia was too low to make the manufacturing industry a viable venture. The urban African working class that was potentially the largest market as it constituted ninety percent of the urban population received very low wages of about £7, that its buying power was drastically limited. In rural Northern Rhodesia, the average ordinary labourer

[13] Megan Vaughan, 'Exploitation and Neglect: Rural Producers and the State in Malawi and Zambia', in David Birmingham and Phyllis M. Martin (ed.) *History of Central Africa: The Contemporary Years to 1960* (London: Longman U.K Limited, 1998) 170.
[14] Dressang, *The Zambia Civil Service and Development Administration*, 81.

was paid 15 shillings and 6 pence per month in the late 1940s and early 1950s.[15] According to Dressang, 'although Europeans had enjoyed a considerable high purchasing power, their population was too low to provide a large market for the manufacturing industry to run profitably. In 1953, the European population in Northern Rhodesia was about 49,000, and many of them settled on the Copperbelt'.[16] Therefore, the small-scale manufacturing industries that developed were mainly scattered around the Copperbelt and they largely supported the mining industry.

The Federation of Rhodesia and Nyasaland (which involved Northern Rhodesia, Southern Rhodesia and Nyasaland) Scheme of 1953-1963, to a great extent worked against the industrialisation of Northern Rhodesia as a whole, and of rural areas in particular. Southern Rhodesia enjoyed the overall economic benefits of federation. Since Southern Rhodesia had achieved responsible government as early as 1923, it had more political power than Northern Rhodesia which was a crown colony and Nyasaland which was a protectorate, and that ensured the dominance of the stronger 'settler controlled' economy of Southern Rhodesia in the federation.[17] Despite the Northern Rhodesian copper accounting for sixty percent of the total value of exports between 1953 and 1962, the benefits of the large foreign exchange earnings went to Southern Rhodesia. The ten years of Northern Rhodesia's participation in the federal economy helped to consolidate the manufacturing sector in Southern Rhodesia which became the nucleus of an export-oriented federation.

As indicated above, Zambia inherited a dual economy at independence. Whereas Copperbelt, Central, Lusaka and Southern provinces were relatively developed, the rest of Zambia was in a state of socio-economic stagnation. Independence meant different things to people of different socio-economic backgrounds. For many rural dwellers, regardless of their educational background, independence revived their hopes and dreams which they felt were lost and shuttered during the colonial era. To them, active participation in the struggle for independence attracted jobs in urban areas as rewards. The UNIP government's change of colonial laws which forbade people without work to stay in towns, gave fresh impetus to rural urban migration which

[15] Northern Rhodesian Government (NRG), *Third Report of the Advisory Committee on Industrial Development* (Lusaka: Government Printer, 1948), 2.
[16] Dressang, *The Zambia Civil Service and Development Administration*, 73.
[17] K. H. Wakwete, 'Spartial and Structural Analysis of Manufacturing Industries in Zimbabwe and the Implication for Regional Planning', PhD Thesis, University of London (1982), 127.

in turn worsened the problems of unemployment and accommodation in urban areas.[18] Found in that predicament, government embarked on the task of developing rural areas in order to reduce regional imbalance and ultimately curb rural urban migration.[19]

Having realised that the task of developing rural areas was too large to be left to any one sector, the government devised a balanced development approach which was aimed at developing rural areas through two strategies namely; development of agriculture and the manufacturing industry. The assumption was that investment in the industrial sector would generate high economic growth rates which would in turn eliminate poverty, provide employment, and contribute effectively both to redressing the inherited regional imbalance and bridging the income distribution gap.[20] The industrialisation of rural areas on the basis of available raw materials in each region was also aimed at reducing the over-dependence of the nation on copper as the only foreign exchange earner. Value addition had to be done within the regions which were endowed with raw materials.

Furthermore, there was need to establish import substitution industries especially after the Unilateral Declaration of Independence (UDI) was effected in Southern Rhodesia on 11th November 1965, by Ian Smith's government, and the subsequent closure of the southern border on 10th January 1973. Following the declaration of UDI, Zambia's access to manufactured goods in Southern Rhodesia, South Africa and oversees using the trade routes which passed through Southern Rhodesia was blocked. Thus, the UDI accelerated the industrialisation of Zambia by which rural industrialisation received much attention as it was perceived not only as a way of transforming the stagnant rural areas, but also as a way of substituting imports.[21]

Both the First National Development Plan which ran from 1966 to 1970 and the Second National Development Plan of 1972-1976 emphasised rural development through industrialisation. Economic diversification which was one of the aims of the two development plans was to address the issue of a lopsided and dual economy and it was anchored on secondary

[18] Steward Brooker and Wim Hoppers, *The Zambian Community and its Economy* (Lusaka: Kenneth Kaunda Foundation, 1986), 213.
[19] GRZ, *National Convention on Zambia's Development,* 11th -15th January, 1967 (Lusaka: Government Printers 1967),1.
[20] D. Rotchild, ''Rural-Urban Inequities in Zambia and Resource Allocation in Zambia'', *Journal of Commonwealth Political Studies*, Volume 10, No 3. (1974), 223.
[21] GRZ, *First National Development Plan 1966-1970* (Lusaka: Office of National Development and Planning, 1966), 33.

industrialisation which was meant to utilise local raw materials produced by agriculture and mining. [22]

The five provinces namely; Luapula, Northern, North-Western, Western and Eastern were categorised as rural underdeveloped provinces, while the four line of rail provinces namely; Copperbelt, Central, Lusaka and Southern were considered as relatively developed. Some of the projects in the aforesaid underdeveloped provinces were implemented during the First National Development Plan; others were implemented during the Second National Development Plan, while others were launched during the Third National Development Plan which ran from 1979 to 1983.[23]

MBL was one of the secondary industries which were established in a bid to implement the policy of rural industrialisation as a cornerstone of rural development. Behind the project were two partners; The Industrial Development Corporation Limited of Zambia (INDECO), and OY Airam, which was one of the major Carbon-Zinc cell manufacturers in Finland. Having resolved to establish the factory in 1972, INDECO called for offers from international companies for partnership with the corporation holding majority shares. After the signing of a 70-30 percent agreement of shareholding structure with the INDECO owning the majority, OY Airam undertook a feasibility study in 1973. The company recommended Mansa for such a project due to the availability of manganese in the area, and the UNIP government readily accepted the choice.[24]

MBL was not only Zambia's first dry cell manufacturing firm, but it was also the first industry in the country to process raw manganese into finished products. Apart from the savings that could result from the local manufacturing of batteries, the Company was to make a significant contribution to Zambia's rural development policy[25] as indicated earlier. This study was aimed at reconstructing the history MBL from 1978 to 1994.

[22] GRZ, *First National Development Plan 1966-1970*, 33.
[23] M.R. Bhagavan, *Zambia: Impact of Industrial Strategy on Regional Imbalance and Social Inequality, Research Report*, (Uppsala: The Scandinavian Institute of African Studies, 1978), 23.
[24] *Times of Zambia*, Friday, 31st July, 1981. 14.
[25] 'Battery plant to light up Mansa', *Enterprise Magazine*, No 4 (1975), 40.

1.2 Statement of the problem

One of the most glaring gaps in the analysis and understanding of rural development in Zambia has been at the level of the contribution of MBL. Although the Company collapsed in 1994, at its peak, it had some positive impact on the people of Luapula Province. Elijah Mwansa's more recent work on the subject can be considered as probably the first comprehensive attempt that aimed at a reconstruction of the history of MBL and its legacy. However, Mwansa's study left out a number of key aspects that could have allowed for a more detailed account of the factory's history and its effects. This study therefore, not only critically discusses the history of MBL in much greater detail but also evaluates its socio-economic impact on the people of Mansa and neighbouring districts from 1978 to 1994.

1.3 Objectives of the study

The objectives of the study were to:

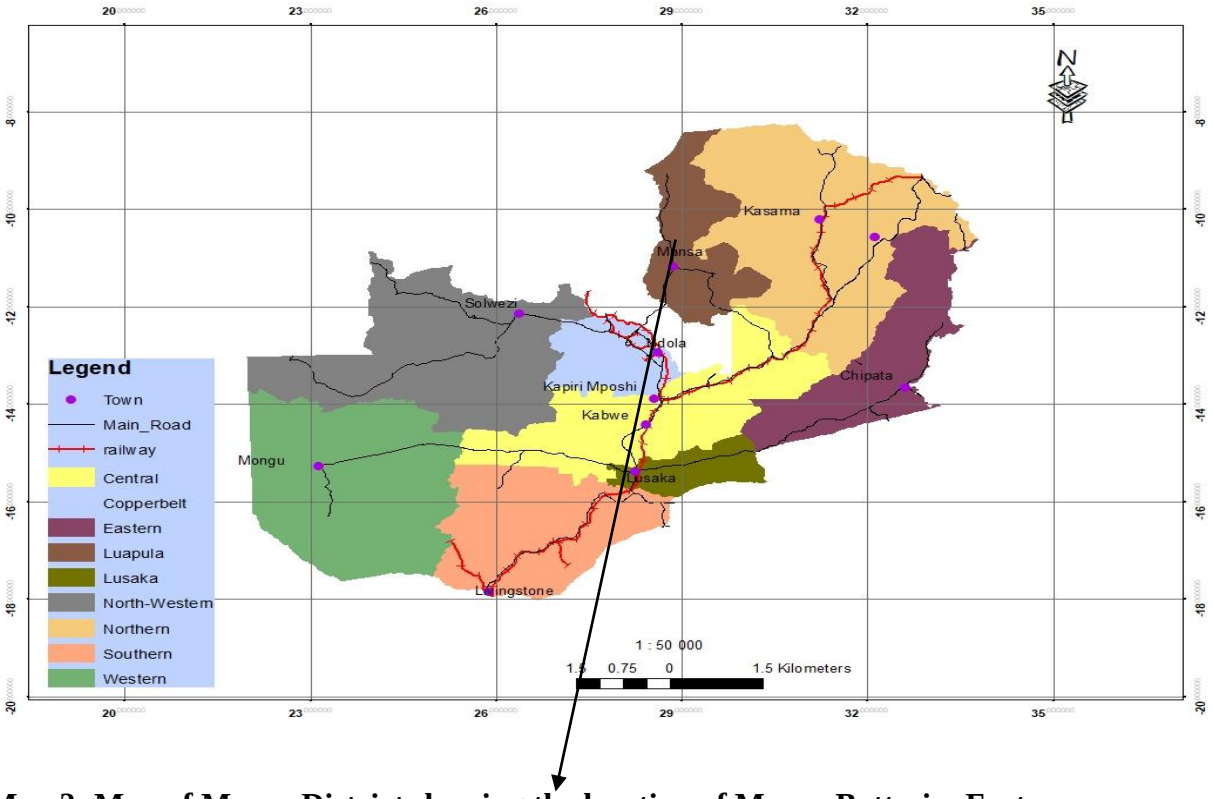
i. Trace the origin and development of Mansa Batteries Limited.
ii. Examine the challenges encountered by Mansa Batteries Limited between 1978 and 1994.
iii. Assess the social and economic impact of Mansa Batteries Limited on the people of Mansa and neighbouring districts.

1.4 Rationale

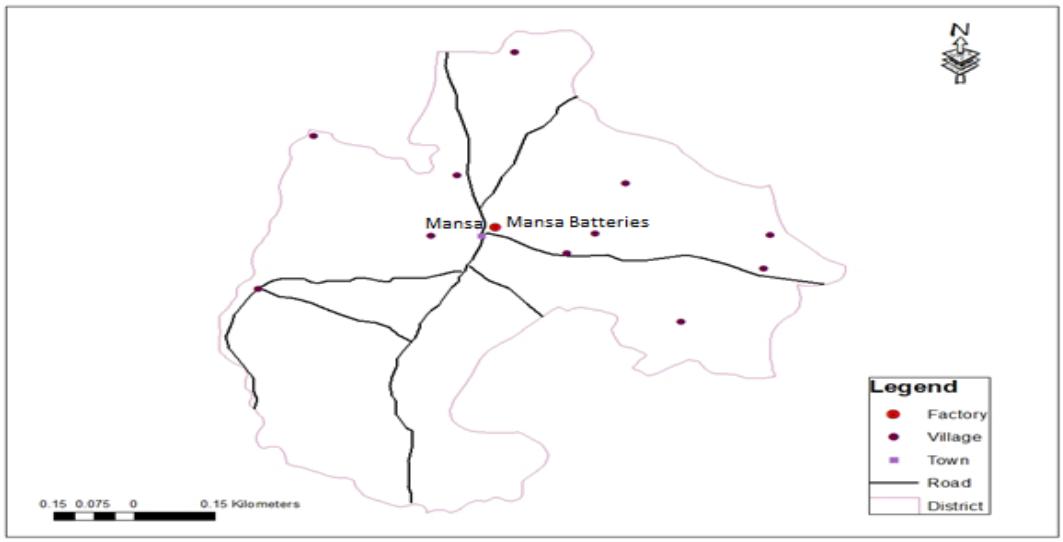
The study is significant as it contributes to the limited literature on the history of industrialisation and rural development in Zambia. It is also hoped that the study will stimulate further research interest on the subject.

1.5 Location of Mansa and Mansa Battery Factory

Map 1: Map of Zambia showing some Provincial Capitals, and railway lines



Map 2: Map of Mansa District showing the location of Mansa Batteries Factory



Source: Cartography Section; Department of Geography, University of Zambia.

As indicated on the map above, Mansa Batteries Limited was located along Kabunda Mission Road, in Mansa District's Senama area, which was about 2.5 kilometres north-west of Mansa Township. Senama was an ideal location due to its proximity to a number of manganese mining sites.

1.6 Literature Review

Literature on Mansa Batteries Limited is scanty. However, since the Company fell under rural development projects and Import Substitution Industries (ISI), the study reviewed literature dealing with rural development projects, manufacturing industries in general and Import Substitution Industries in particular.

Separate works of M. A. Farah and A. Karls, A.F. Ewing and J. L. Hanson were valuable sources of data for the current study. Farah and Karls noted that there are a number of factors to take into account before a country can embark on industrialisation. The industrialisation of Britain in the 18th century required that certain things had to be put in place first. There was need to put in place capital to build machines, specialised labour to operate the invented machines, and markets for the manufactured goods to be profitably sold. Besides, there was need for efficient farms to feed industrial workers, a cheap transport system and scientific inventions, and Britain possessed all these things at the start of the 18th century.[26] Consequently, industrialisation flourished in Britain. Ewing also advanced more or less the same argument. He stated that the prerequisites of industrial development included but were not limited to science and technology and their application thereof, education, manpower planning, the discovery of natural resources, transport and energy.[27]

Similarly, Hanson observed that access to the markets and proximity to the raw materials especially where they were bulky, and formed a high proportion of the total cost of producing the commodity were important factors that influenced the location of industries. He further argued that transport costs played a dominant role in the entrepreneur's desire to minimise costs through an optimum location in terms of raw materials and markets.[28] These works enlightened the present study about sustainable industrialisation, and the connections between research and

[26] M. A Farah and A. Karls, *World History* (New York: McGraw Hill, 1999), 372.
[27] A.F. Ewing, *Industry in Africa* (London: Oxford University Press, 1968), 128.
[28] J. L. Hanson, *Economic Aspects of Industry and Commerce* (London: Macdonald and Evans Limited, 1966), 83.

scientific innovations, proper planning and implementation in setting up and expanding manufacturing industries. The works also provided valuable knowledge and information on the linkages between industrial location, availability of raw materials, transport costs and market structures which became the basis for an in-depth investigation and critical examination of the challenges MBL faced.

In his analysis of the development of manufacturing industries in the rural areas of England, E.J. Hobsbawm observed that villages in which men spent time or seasons weaving or knitting tended to increasingly become industrial villages of full-time weavers or knitters, and eventually some, but by no means all, developed into industrial towns. For every village which specialised in manufacturing, every rural area which became an industrial area implied some other zones which specialised in selling it food it no longer provided.[29] Hobsbawn's work was relevant to the current study which also dealt with an industry whose evolution had strong links with manganese mining activities which were previously conducted in the area. Besides, like Hobsbawn's work, this study investigated business opportunities which were created as a result of the existence of the battery manufacturing industry in Mansa.

Writing on the impact of rural industrialisation on two rural communities of Ireland, L. D. Ignatius observed that the establishment of manufacturing plants in economically depressed areas is encouraged in the hope that they would play an important part in the process of providing off-farm employment opportunities locally for those who might otherwise be obliged to leave those areas for employment elsewhere.[30] This observation was echoed by J. T. Scott and G. F. Summers who stated that much of the population of many rural communities could be explained by the lack of attractive local employment opportunities. By providing such opportunities, industrialisation could prevent out-migration.[31] The studies by Ignatius, Scott and Summers were relevant to the present study as they provided the basis for investigating the socio-economic impact of MBL on the people of Mansa and neighbouring districts.

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[29] E. J. Hobsbawm, *Industry and Empire: From 1750 to the Present* (London: Penguin Books Ltd, 1999), 18.
[30] L.D. Ignatius, 'Impact of industrialisation on two rural communities in Western Ireland', PhD Thesis, Iowa State University of Science and Technology (1968),3.
[31] J. T. Scott and G. F. Summers, 'Problems and Challenges faced by rural communities with industrial development', Paper presented at the North Central Regional Conference on Problems and Potentials of Rural Industrialisation at Purdue University, 11th -13 July, 1972, 20.

Contrary to Ignatius, Scott and Summers' assertion, T. Balogh observed that industries do not create employment for the rural people due to the fact that some industries require managerial and technical skills which might be lacking among the rural people.[32] However, in his analysis of the impact of the manufacturing industry on labour in rural communities, M. J. Moseley explained various ways in which the manufacturing industry creates employment. He noted that the obvious and most general impact of a manufacturing industry on a rural community is an increase in alternative job opportunities which may stem from several sources such as direct employment from the industrial unit itself, indirect employment resulting from the demands generated for materials, goods and services by the initial development and induced employment related to increases in demand because of general increases in income in the area.[33] Thus, Moseley saw employment creation not only for those who might be employed directly by the company but also for those who might be employed by the company employees in various ways which might include their businesses being boosted by a ready market provided by company employees. Moseley and Balogh's works were relevant to this study which did not only examine the challenges encountered by MBL but also explored diverse ways in which the Company positively impacted on the socio-economic lives of the local people.

L. D. Ignatius and D. R. Kaldor's work was another valuable source of data for the current study. The duo observed that industrialisation changed the role of women considerably in the two rural communities of Ireland. Previously, their work was exclusively domestic and agricultural. With the advent of industrialisation, it became common for women to work away from home. Given the changing social structure due to industrialisation, the authority of women increased because of their active role in obtaining part of the family's income.[34] Thus, Ignatius and Kaldor considered industrialisation of rural areas as an equaliser in terms of socio-economic status. Their work provided the basis for investigating the role MBL played in the socio-economic lives of women in Mansa and the neighbouring districts.

G.T. Magagula stressed the critical role of economic diversification in rural development in Swaziland. She analysed the contributions of agriculture to rural development and contended that

[32] T. Balogh, *Economics of Poverty* (London: Chelsea Publication Company Limited, 1996), 34.
[33] M.J. Moseley, 'The impact of growth centres in rural regions-1', *Regional Studies,* Volume 7, Issue 1 (1973), 57.
[34] L.D. Ignatius and D. R Kaldor, 'Rural Industrialisation: The Impact of Industrialisation on Two Rural Communities in Ireland', *Iris Journal of Agricultural Economics and Rural Sociology*, Volume 2, No. 2 (1969), 226.

the planners were responsible for the failure of rural development projects. Rural development strategy should not only be based on agricultural development but also on the improvement of the quality of rural life and on the increased incorporation of non-farm enterprises in the rural areas.[35] She considered the development of industrial activities in rural areas as a means to achieving economic diversification. Similarly, B.W. Hodder's work although not necessarily on rural development also highlighted the importance of diversification in line with industrialisation. He argued that industrialisation was the best way of bringing about greater economic diversification and stability- something which all tropical countries needed. Industrialisation could add value to existing raw materials by processing them before export and could further help the balance of payments situation by the final processing or assembly of imports.[36] These works provided the basis for interrogating why and how MBL was established.

Like Magagula and Hodder's works, A. B. Mountjoy's study illuminated the complementary role of primary and secondary industries in the socio-economic development of societies. In his view, agriculture or mining and manufacturing industries were interdependent. He argued that industrialisation was dependent upon agricultural improvement; it was not profitable to produce a growing volume of manufactured articles unless agricultural production was growing simultaneously. If agriculture failed to provide food for the growing industrial population, the much-needed capital would have to be spent on importing food stuffs.[37] He further stated that some farmers would either work for the company or sell agricultural products to factory employees and invest their earnings in farming.[38] Mountjoy's view was supported by S.R. Chowdhury who argued that under the impact of industrialisation, the income of small-scale farmers is increased. This comes about when farmers who were previously underemployed eventually have off-farm job opportunities. These farmers frequently take full-time off-farm jobs and also continue their farming operations with some organisational modification. The net result is usually an increase in income for the family. Since small scale farmers spend a higher

[35] G. T. Magagula 'Rural Development Area Programmes: A Case Study of Swaziland', *Journal of South African Affairs,* Volume 3, No. 4 (1978), 463.
[36] B.W. Holder, *Economic Development in the Tropics* (London: Methuen & Company Ltd, 1968), 160.
[37]A. B. Mountjoy, *Industrialisation and Underdeveloped countries* (London: Hutchinson University Library, 1967), 32.
[38] Mountjoy, *Industrialisation and Underdeveloped countries*, 32.

proportion of their income locally, this tends to stimulate local business.[39] The studies were significant as they provided the basis for the analysis of how the existence of MBL positively impacted on economic activities such as farming, beer brewing and other business ventures in Mansa and the neighbouring districts.

The foregoing arguments reinforce the view held among some scholars such as Michael Lipton who have conducted research on rural development in Third World countries, that social and economic factors acted as motivation for the implementation of rural development projects. Lipton argued that rural development in Third World countries was a solution to both rural and urban poverty. Rural poverty compelled rural inhabitants to migrate to urban areas. The more people migrated into towns, the more congested urban areas became. Since the migrants could not get jobs, their misery increased. Consequently, poverty was created in urban areas. To avoid the perpetuation of urban poverty, governments of Third World countries made efforts to develop rural areas and by so doing discouraged rural people from migrating to urban areas.[40] The argument was shared by S.B. Ng'andu who argued that the economic stagnation of rural areas triggered massive exodus of people from rural to urban areas. To reverse the trend, government decided to set up enterprises in rural areas.[41] Similarly, having examined the policies and problems associated with rural development in Third World countries, Chris Dixon observed that rural development was strategically designed to improve the social and economic life of the rural poor.[42] Ng'andu, Dixon and Lipton's works were important to this study in the sense that the battery manufacturing company in Mansa District was a rural development project which was set up with the view of reducing regional economic imbalances between the rural province of Luapula and the urban regions especially of Copperbelt and Lusaka.

J. T. Scott argued that rapid industrialisation in a rural community may increase insecurity of life and property by attracting people who are prone to make a living outside the law. If it results in heavy concentration of people with widely different backgrounds and value systems, it may increase tensions and conflicts. Consequently, the community may have to devote additional

[39] S. R. Chowdhury,'Effects of Industrialisation on Rural Development in Iowa', PhD Thesis, Iowa State University (1974), 14.
[40] Michael Lipton, *Why Poor People Stay poor: Urban Bias in World Development* (Canberra: Australian University Press, 1991), 237.
[41] S.B Ng'andu,'Constraints on the Development of the Development of the Mungwi Settlement Scheme in the Northern Province of Zambia, 1951-1991', MA Dissertation, University of Zambia (1996), 49.
[42] Chris Dixon, *Rural Development in the Third World* (London: Routledge, 1990),57.

resources to police protection and to working out more effective mechanisms for resolving conflict.[43] He further observed that since large industries are spread over many acres of land, agricultural land and forests are often demarcated to make available the land required. Often, local people are not compensated for the lost land.[44] Scott's work provided the basis for investigating social tensions and conflicts which arose between Company employees and some members of Senama community.

Wilbert. E. Moore observed that industrialisation was a process of social cultural change. The spread of industrialisation was a process of cultural diffusion which was made effective as people from different localities travelled to the sources of employment.[45] Hence, the concept of acculturation developed due to contacts between different communities; characteristics that emerged as groups interacted, and the changes that resulted from these interactions. Moore's work was beneficial to the present study which examined the social impact of MBL on the local people.

Shula Marks and Richard Rathborne argued that the development of gold and diamond mines in South Africa led to urbanisation and social change. They contended that as industries began to thrive, the concept of town or township became synonymous with urban living. Additionally, the development of road networks, housing units and office buildings including all construction works contributed to the growth of urban areas.[46] Marks' and Rathborne's work established a strong link between industrialisation and urbanisation. Their work was relevant to the current study since urbanisation is both a social and economic phenomenon which were investigated under the socio-economic impact of the Company on the people of Mansa.

Separate works of Brooker and Hoppers, and Wakwete examined colonial government policies in Central Africa and concluded that these policies contributed to rural underdevelopment. Brooker and Hoppers noted that during the colonial era, imperialist whites decided to settle

[43] J. T. Scott, 'Profile Change When an industry moves into a rural area', Working Paper, Illinois: University of Illinois, 1973. 45.

[44] Scott, 'Profile Change When an industry moves into a rural area', 45.

[45] Wilbert. E. Moore, *Industrialisation and Labour: Social Aspects of Economic Development* (New York: Institute of World Affairs, 1951), 178.

[46] Shula Marks and Richard Rathborne (ed.), *Industrialisation and Social Change in South Africa: African Class formation, Culture and Consciousness, 1870-1930* (London: Longman Ltd, 1982), IV.

mainly in areas rich in copper resources, and along the line of rail. Consequently, such areas became industrialised and urbanised for the benefit of Europeans, and not for the sake of development.[47] There was a road and a railway line running from the Copperbelt through Lusaka to Southern Rhodesia, which were used for exporting copper. Industries which supplied goods needed by the mining companies also developed. The colonial government failed to develop rural areas because they were not interested in the welfare of Africans. Thus, the Copper industry did not create an offshoot industry in other parts of the country.[48] Similarly, Wakwete observed that the location of industries was determined by the colonial settlement pattern, which was also linked to the key primary resource activities-commercial agriculture, mining and forestry. The government developed infrastructure to complement this development. Most of the industries which operated in Harare had linkages to the whole economy. This was illustrated by the supply of agricultural, forestry and mining raw materials from all regions of Southern Rhodesia.[49] Brooker, Hoppers and Wakwete's works provided background information on rural-urban inequalities as one of the reasons for the industrialisation strategy adopted by the UNIP government to develop rural areas.

Contrary to Wakwete, Hoppers and Brooker's observation, V.M. Gwande noted that despite colonial government's policies' militating against rural development through industrialisation, efforts were made in Southern Rhodesia to decentralise the manufacturing industry. He argued that despite the favourable environment for the growth of manufacturing industries in Salisbury and Bulawayo, the concentration of industries in those two towns, however, was seen by some as a major drawback to the general development of the colony, and prompted a desire to bring about a balanced distribution of industries, and development of the country.[50] Consequently, other small centres like Que Que, Gatooma and Gwelo also boosted significant industrial development.[51] Gwande further examined the role of private and foreign investment in the development of the manufacturing industry in Southern Rhodesia. He argued that there was a growing belief by the government that industrialisation was synonymous with economic

[47] Brooker and Hoppers, *The Zambian Community and its Economy*, 191.
[48] Brooker and Hoppers, *The Zambian Community and its Economy*, 191.
[49] Wakwete,'Spartial and Structural Analysis of Manufacturing Industries in Zimbabwe and the Implication for Regional Planning', 212.
[50] V.M. Gwande, 'Foreign Capital, State and the Development of Secondary Industry in Southern Rhodesia, 1939-1956', MA Dissertation, University of the Free State (2015),30.
[51] Gwande, ''Foreign Capital, State and the Development of Secondary Industry in Southern Rhodesia, 1939-1956'', 30.

development, and it was such a belief that marked the beginning of a closer association between the state and industrialists towards industrial development. The state's role therefore shifted from direct participation to regulation, thereby creating an enabling environment under which private investors would thrive.[52] He further pointed out the challenges faced by the manufacturing industry such as the need to expand the local market, shortage of housing units for the workers and inadequate transport for the distribution of manufactured goods, and explained how each problem was solved.[53] Despite being informative on the evolution of the manufacturing industry in Southern Rhodesia, and pointing out the challenges that the industry encountered, Gwande's study did not explain the socio-economic impact a particular company had had on a particular community or society. This study investigated the socio-economic impact of MBL on the people of Mansa and the neighbouring districts, and analysed the impact of direct state participation in the operation of the Company as opposed to that of regulating which was provided by the Southern Rhodesian government to the manufacturing industries which operated in that country.

There are also some scholars who are of the view that the decentralisation of industries ought to be so cautiously handled that only those areas with comparative economic advantages needed special consideration for industrial development. Among them is D.S. Tevera who argued that the policy of decentralisation had not been successful in Zimbabwe because of constraints like inadequate markets in rural areas and small towns, infrastructural problems such as the lack of services and limited agglomeration economies, long distances from the suppliers and markets and the difficult for attracting managerial and professional skills.[54] Tevera's study was relevant to the current study which examined the challenges which MBL faced.

Another important and relevant study was Alfred. Tembo's PhD thesis which investigated the economic impact of the Second World War on Northern Rhodesia. Tembo observed that the war created a shortage of manufactured goods and therefore, provided an opportunity for Northern Rhodesia to industrialise in order to become economically independent of Britain and regional

[52] Gwande, 'Foreign Capital, State and the Development of Secondary Industry in Southern Rhodesia, 1939-1956', 38.
[53] Gwande, 'Foreign Capital, State and the Development of Secondary Industry in Southern Rhodesia, 1939-1956', 52.
[54] D.S. Tevera, 'Measures of industrial distribution in Zimbabwe,' Proceedings Geographical Association of Zimbabwe: Proceedings of 1984/85, No 16, (1986). 8.

sources of imports.[55] However, the study established that the industrialisation agenda was abandoned not only because Northern Rhodesia lacked markets, railway and road network connections but also because her industrial base was also not yet developed. There was no financial institution to help industrialists establish enterprises, as was the case in South Africa for example, where the Industrial Development Corporation was set up in 1940.[56] Similarly, Chisulo Phiri's work 'Constraints to industrialisation in Northern Rhodesia', revealed that the industrialisation of the whole country was not the agenda of the colonial government.[57] He further argued that in 1935, the law was enacted in Northern Rhodesia which stated that industries could only be set up in Ndola.[58] Similarly, Phyllis Deane advanced a similar argument. She observed that the colonial state in Northern Rhodesia deliberately enacted the closed township policy in which secondary industries had to be established in Ndola only. The rest of the towns remained closed for industrial development from 1935 to 1956.[59] Thus, Tembo, Phiri and Deane's works provided background information to this study.

D.S. Pearson and W.L. Taylor examined the Federation of Rhodesia and Nyasaland scheme and concluded that the scheme contributed to the growth of the manufacturing industry in Southern Rhodesia, and prevented its development (the manufacturing sector) in Northern Rhodesia. They argued that even though the former had embarked on industrialisation way back before the federal era, the industrial policy implemented by the federal regime hampered the development of manufacturing industries in Northern Rhodesia in general, and particularly in rural areas. The creation of such infrastructural projects as the hydro-scheme at Kariba and highways enhanced the importance of the industrial economy of Zimbabwe.[60] Pearson and Taylor's work provided not only background information to the current study but also offered insights on how different settler and crown colonies or protectorates were treated in terms of development, a contradiction which post-colonial Zambia resolved to address through the industrialisation of rural areas.

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[55] Alfred Tembo, 'The Impact of the Second World War on Northern Rhodesia, 1939-1953', PhD Thesis, University of Free State (2015), 159.
[70] Tembo, 'The Impact of the Second World War on Northern Rhodesia, 1939-1953', 167.
[57] Chisulo Phiri,'Constraints to Industrialisation in Colonial Zambia, 1890-1964', MA Dissertation, University of Zambia (2020), 60.
[58] Phiri, 'Constraints to Industrialisation in Colonial Zambia, 1890-1964',56.
[59] Phyllis Deane, *Colonial Social Accounting* (Cambridge: Cambridge University Press, 1953), 48.
[60] D. S Pearson and W. L Taylor, *Break-up: Some Economic Consequences for the Rhodesia and Nyasaland* (Salisbury: Phoenix Group, 1963), 56.

John Hellen argued that until the terminal stage of colonialism, too little was done to develop the rural areas of Zambia. In most cases, the schemes which were undertaken performed poorly because of their late adoption. Thus, the newly independent UNIP government required a lot of effort to correct the lopsided economy.[61] Hellen's work focused on the weaknesses which were inherent in colonial government's rural development policies and projects. Since MBL was a rural development project, this study sought to build on Hellen's insights about the colonial government's failure to develop rural areas.

Some scholars like Jeremy Gould, Henrietta. L. Moore, Megan Vaughan and Robert Bates have perceived rural development projects to have been politically motivated. Gould pointed out that the colonial government set up the intensive rural development projects in Luapula province after the mid-1950s in order to curb the influx of Africans into towns so as to frustrate nationalist movement's mobilisation. He further noted that by developing rural areas, the government wanted to confine Africans to villages and this would make it difficult for the nationalist movements to mobilise them for the struggle for independence.[62] The observation was shared by Moore and Vaughan who contended that some officials in the colonial government wanted rural areas to be developed so as to prevent possible political unrest likely to be caused by the influence of nationalist movement.[63]

Similarly, Bates argued that even after independence, some politicians used rural development strategy for political expedience. He pointed out that the UNIP government was compelled to undertake rural development programmes in Western, Eastern, North-Western and Luapula provinces in order to deny disgruntled politicians support, especially from their home provinces. He contextualised the matter by stating that in 1966, Nalumino Mundia, a politician from Western Province was dismissed from cabinet, while in 1967, Reuben Kamanga, an Easterner, was defeated by Simon Mwansa Kapwepwe, a Northerner from the post of Vice President of

[61] John. A. Hellen, *Rural Economic Development in Zambia 1890-1964* (Muchens Velt forum Verlag, 1968), 250.

[62] Jeremy Gould, *Luapula: Dependence or Development? (*Helsinki: Zambia Geographical Association, 1989), 145.

[63] Henrietta, L. Moore and Megan Vaughan, *Cutting Down Trees: Gender, Nutrition and Agricultural Change in the Northern Province of Zambia, 1890-1990* (Lusaka; University of Zambia), 110.

UNIP.[64] Additionally, politicians from North-Western and Luapula Provinces also complained of being marginalised, for they did not win influential positions in the Central Committee of UNIP during the 1967 General Congress.[65] Thus, it became apparent that frustrated politicians from the aforesaid provinces would team up and put up a formidable front against the government. Bates further stated that pressure from its own agencies and the proven capacity of politicians to utilise discontent to undermine the position of the government led to major adjustments by government in its development programme. In response to these pressures, the problem of rural development moved closer to the top of the government's agenda.[66]

The works of Gould, Moore, Vaughan and Bates provided insights into the genesis and dynamics of rural development projects in Zambia. Besides, the works gave a clear picture of how politics could influence the implementation of rural development projects like MBL, as well as affect the running, growth or stagnation of such projects.

Contrary to Gould, Moore, Vaughan and Bates' view that rural development was politically motivated, Henry Mebeelo in his work, 'Main Currents in Zambian Humanism Thought', pointed out that rural development in Zambia was a way of implementing the Philosophy of Humanism. This philosophy therefore, called for equal distribution of the country's wealth between urban and rural areas.[67] For Mebeelo, politics played no role in the implementation of rural development programmes in Zambia. This study however, argues that the philosophy of humanism (an ideology) was itself a political construction, and therefore, attempted to interrogate whether politics presented a challenge to the smooth running of MBL or not.

J.H. Kalyalya observed that the establishment of sugar plantation and the factory in Mazabuka District improved the standard of living of the surrounding communities within the district through the creation of employment opportunities, provision of basic skills and social services like education, health care and recreational facilities.[68] This point was supported by Chilala Habeenzu who stated that the opening of Musamba Clinic by Chilanga Cement Factory in 1957,

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[64] Robert Bates, *Patterns of Uneven Development: Causes and Consequences in Zambia* (Colorando: University of Denver, 1974), 35.
[65] Bates, *Patterns of Uneven Development: Causes and Consequences in Zambia*, 36.
[66] Bates, *Patterns of Uneven Development: Causes and Consequences in Zambia*, 36.
[67] Henry Meebelo, *Main Currents of Zambian Humanism Thought* (London: Oxford University Press, 1973), 67.
[68] J. H. Kalyalya, 'A History of Nakambala Sugar Estate, 1964-1984', MA Dissertation, University of Zambia (1988), 72.

to cater for the health needs of its employees also benefited the surrounding communities.[69] She further noted that the cement factory also benefited the ordinary members of Chilanga community through the construction of two schools; Parklands Primary School and Chilanga Factory School. While Parklands catered for the educational needs of Europeans, Chilanga Factory School which was officially opened in 1964 provided free education to Africans, and attracted pupils from Game Residential Area, and other communities surrounding the factory. The school was handed over to the government after 1964, and was renamed Musamba Primary School.[70] This study endeavoured to investigate how the social services provided by MBL benefited the ordinary members of Senama and other nearby communities.

Other important and relevant studies were MA dissertations by Charity Mbalazi and Namushi Situtu. In her reconstruction of a history of coffee growing in Kasama District, Mbalazi observed that Kateshi Coffee Company was the biggest employer in Northern Province. At its peak in 2004, the Company had an establishment of 10 000 workers.[71] Similarly, Situtu contended that the development of the cashew nut industry in Mongu District created employment opportunities for the local people. Local people acquired jobs which they could hardly access in the past, as the district did not have any worth industry. About 1 000 seasonal jobs were created during the harvesting period in late 1990s.[72] For Mbalazi and Situtu, the development of coffee and cashew nut industries in Kasama and Mongu respectively, resulted in job creation for the local people. These works were relevant since one of the reasons for the establishment of MBL was to create jobs. Additionally, MBL, the cashew nut, and coffee industries were all rural development projects.

In his MA dissertation, 'The Impact of Rhodesia's Unilateral Declaration of Independence on Zambia's Economic and Socio-Political Developments, 1965-1979', Clarence Chongo argued that the UDI played a critical role in stimulating import substitution industrialisation in Zambia. The Zambian government established numerous industries as part of its policy of promoting

[69] Chilala Habeenzu,'A Historical Study of the Impact of Chilanga Cement Factory on the People of Chilanga, 1949-1995', MA Dissertation, University of Zambia (2016), 56.
[70] Habeenzu, 'A Historical Study of the Impact of Chilanga Cement Factory on the People of Chilanga, 1949-1995', 53.
[71] Charity Mbalazi, 'A History of Coffee Growing in Zambia: The Case of Kateshi and Ngoli Estates in Kasama District, 1967-2012', MA Dissertation, University of Zambia, (2017), 101.
[72] Namushi Situtu, 'The Role of the Cashew Nut Industry in the Socio-Economic Development of Mongu District of Western Province, Zambia, 1972-2011', MA Dissertation, University of Zambia (2021), 103.

import substitution industries and diversifying the economy. They were designed to utilise local raw materials in the production process.[73] He saw the UDI as a blessing in disguise without which Zambia would have taken longer to develop her own industries. Chongo's study was relevant to this study since MBL was part of import substitution industries.

H.S. Bam, Dale Mudenda, Mushiba Nyamazama, and J.R. Craig's works pointed out some of the challenges which beset the manufacturing industries in Zambia. Bam's research was not specifically on MBL but focused on the challenges encountered by import substitution industrialisation. He argued that contrary to the expectation that import substitution industrialisation would generate foreign exchange; it increased dependence on foreign capital goods. It also depended on imports of inputs in the form of semi-finished materials which caused a substantial drain on foreign exchange. Failure to secure enough foreign exchange from exports led to difficulties in importing raw materials and spare parts for domestic production.[74] Bam's argument was strengthened by Mudenda's observation that while the Import Substitution Industrialisation strategy was meant to encourage domestic production and save foreign exchange, it gained very little from export sales and suffered a predicament of a huge import bill for inputs. Thus, it aggravated the balance of payment position of the country; creating the same problem it was meant to solve.[75]

In his assessment of the performance and challenges of INDECO companies, Nyamazama observed that foreign dependence was one of the major challenges INDECO faced. He substantiated his argument by stating that many of the projects which were implemented by the INDECO were in partnership with foreign firms. Even where such projects were wholly owned by INDECO, foreign firms were instrumental in the supply of plant machinery and inputs. He further argued that the main problem with imported technology was that it was usually not suitable for Zambia which had surplus unskilled labour and skilled manpower shortages. [76]

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[73] Clarence Chongo, 'The Impact of Rhodesia's Unilateral Declaration of Independence (UDI) on Zambia's Economic and Socio-Political Developments, 1965-1979', MA Dissertation, University of Zambia (2011),77.
[74] H. S. Bam, 'Import Substitution Industrialisation: A Case Study of Zambia', MA Dissertation, University of Zambia (1985), 44.
[75] Dale. Mudenda,'Trade and Industrialisation Policies Experienced from Zambia', 13, http://www.tips.org.za>files, accessed on 18th May 2023.
[76] Mushiba Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', PhD Thesis, University of London (1989), 46.

Similarly, Craig analysed the challenges faced by Zambian manufacturing industries and observed that many of INDECO's products were subject to formal price control, although even where that was not the case, price rises required ministerial and cabinet approval. The process through which prices were adjusted was also slow and cumbersome.[77] The prices of goods manufactured by INDECO-run companies were first submitted to INDECO for approval. Prices of parastatal goods and services then went to their various ministries for detailed assessment, which was circulated to other ministries concerned for further comments. Having added the comments to the assessment, the matter went to the Cabinet for decision. By the time new prices were set, they had often been overtaken by further cost increases.[78] This study also explored the challenges that MBL, a subsidiary of INDECO faced.

In his reconstruction of a history of Kawambwa Tea Company (KTC), W.M. Mulobelwa assessed the socio-economic impact of the company on the people of Kawambwa and the surrounding areas, and further analysed the challenges encountered by the tea company. He argued that the company's performance was negatively affected by the problems which were deemed political, economic and administrative in nature.[79] This study also investigated the socio-economic impact of the battery manufacturing plant on the people of Mansa and the surrounding areas, and analysed the challenges that the Company faced. However, this work in addition to tracing the origin of MBL, attempted an in-depth analysis of the measures which were taken to develop the battery manufacturing company.

M.C. Musambachime's article 'Military Violence against Civilians…' highlighted the challenges which Zambian travellers faced on the Pedicle Road. He observed that the brutality of Zairians created fear and uncertainty for those passing through the Pedicle Road. They were frequently beaten, robbed and killed. Truck and bus drivers as well as fish traders were made to part with substantial amount of money to grease the hands of the soldiers, and those who failed to pay had their vehicles impounded.[80] The harassment of Zambians was not only a preserve of the soldiers.

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[77] J. R. Craig, ''State Enterprise and Privatisation in Zambia, 1968-1998'', PhD Thesis, University of Leeds (1999), 103.
[78] Craig 'State Enterprise and Privatisation Zambia, 1968-1998', 104.
[79] W . M. Mulobelwa, 'A History of Kawambwa Tea Company, 1970-1996', MA Dissertation, University of Zambia (2002), 30.

[80] M. C. Musambachime, 'Military Violence against Civilians: The Case of Congolese and Zairean Military on the Pedicle, 1890-1988.' *The International Journal of African Historical Studies*, Volume 23, No. 4 (1990), 663.

Villagers living along the road often robbed the transiting Zambians of their money and goods. Musambachime's work was critical to the current study which analysed the challenges faced by the battery manufacturing company in using this route given the fact that Pedicle Road was the only route which linked Mansa to the Copperbelt before the construction of Tuta Road.

In his work 'Rural Development through Agriculture: A History of Mununshi Banana Scheme' Charles Kakulwa made an assessment of the industries which were in existence in the Luapula region during the colonial period. He noted that the Rhodesian Vanadium Corporation commenced operations of two mines at Masansa and Bahati (name formed by a combination of the first two letters of the names of the three Europeans; Bartholomew, Harry and Timothy who were in-charge of the mine on the north western part of Mansa Township). Owing to low world manganese prices, coupled with high transport costs and the changing political atmosphere, the mines were closed down in 1961 and 1962 respectively.[81] Kakulwa's work was important not only because it provided useful background information about the presence of manganese in the area; a raw material which became the driving force for the establishment of the battery manufacturing company, but also because MBL and MBS were both rural development projects.

Chewe Luaba's study, 'Survival Strategies of Retrenched Employees in State owned Companies in Africa: A Case Study of Mansa Batteries', alluded to the impact of the closure of Mansa Batteries Limited on its former employees. She stated that the former employees expressed sentiments of feeling worthless, and that they went from being the envy of the community into the ridicule of it. Some former employees suffered emotional trauma due to loss of financial control and the respect they commanded.[82] Luaba's work did not reveal any challenges faced by MBL during its operational years as it focused on the impact of the closure of the Company. This study focused on the impact of MBL from its inception to the time it was closed down, and how both the employees and the surrounding communities were affected by its existence.

In his work 'History of Mansa Batteries Limited Company', Elijah Mwansa investigated the circumstances that led to the establishment of MBL; examined the socio-economic impact of the

[81] Charles Kakulwa, 'Rural Development through Agriculture: A History of Mununshi Banana Scheme, 1967-2010', MA Dissertation, University of Zambia (2012), 48.
[82] Chewe Luaba, 'Survival Strategies of Retrenched/Redundant Employees in State owned Companies in Africa: A Case of Former Mansa Batteries in Mansa District, Zambia', *The International Journal of Multi-Disciplinary Research*, 10, http://www.multiresearch.net, accessed on 5th May, 2023.

Company on the people of Mansa and Samfya, as well as on the national economy.[83] He further assessed the factors that led to the collapse of the Company and argued that all key decisions of the firm were made by directors at INDECO headquarters in Lusaka. In his view, highly centralised powers at INDECO meant that MBL was not allowed to market or sell its products unless through the Zambia National Wholesale and Marketing Corporation (ZNWMC).[84] Despite giving a brief outline of circumstances that led to the establishment of MBL, Mwansa's work did not explain how the battery manufacturing industry was established. This study gave a detailed account for the establishment of MBL; explained in detail how the Company was established and further showed that the administration of MBL was decentralised, and that MBL expanded the market for its products not only by opening the Ndola Branch but also by collaborating with wholesalers (agents) dotted around country. The other difference is that this work brought out a number of aspects (not covered in Mwansa's work) regarding the socio-economic impact of MBL on the people of Mansa and neighbouring districts.

1.7 Methodology

The study utilised primary and secondary sources of data. At the University of Zambia Library's Special Collections Section, books, magazines, newspapers, government documents and reports, dissertations and theses, journal articles and parliamentary debates were consulted. These sources yielded data related to the historical background, origin of the Company and some of the challenges MBL faced. The internet was also used as a source of online data.

At the National Archives of Zambia (NAZ), primary sources of data were used. Among them were district notebooks, INDECO Minutes of Annual Board Meetings, Executive and Committee Meetings, Mansa Batteries Limited's Minutes of Annual General Meetings, Annual and Quarterly Financial Reports were consulted. Other sources consulted included minutes of district council meetings for Mansa District Council. These primary sources provided critical information on the origin and development of the Company, the challenges encountered, and MBL's impact on the local people.

[83] Elijah Mwansa 'History of Mansa Batteries Limited, 1970-2016', MA Dissertation, Zambia Open University (2021), 81.
[84] Mwansa 'History of Mansa Batteries Limited, 1970-2016',49.

In Mansa, primary data was gathered through oral interviews of former employees of MBL, and the residents of Senama community where it (the Company) was set up. Other categories of people within Mansa were interviewed to find out more about the Company's impact on the local people. Some of the respondents were former residents of Samfya, one of Mansa's neighbouring districts. Mansa Municipal Council was also visited in order to consult the files which were expected to contain information on tax (land rates) collected from MBL and how it was utilised. However, the files containing MBL's data were not readily available.

The major problem encountered during the production of this work was that some former employees of Mansa Batteries Limited from certain sections like transport declined to be interviewed. In spite of the letter of introduction from the University of Zambia stating that the interviewees' responses would only be used for an academic purpose, some felt that the data might be used for political reasons. In view of this challenge, the study heavily relied on data provided by former Company employees from other departments such as marketing and purchasing.

Qualitative analysis of data gathered from different sources was employed. Data from varied sources and institutions was analysed not only to see whether it supplemented or complimented each other or not but also to affirm or question some narratives about MBL.

1.8 Organisation of the study

The dissertation consists of five chapters. Chapter One is the introduction, and provides a historical background, the statement of the problem, objectives of the study, the rationale, location of the study area, literature review, and methodology. Chapter Two traces the origin and development of Mansa Batteries Limited. Chapter Three examines the challenges faced by Mansa Batteries Limited. Chapter Four assesses the social and economic impact Mansa Batteries Limited had had on the people of Mansa and the neighbouring districts. Chapter Five is the conclusion which synthesises the main arguments of the study.

CHAPTER TWO

THE ORIGIN AND DEVELOPMENT OF MANSA BATTERIES LIMITED, 1978-1994

2.1 Introduction

This chapter traces the origin and development of Mansa Batteries Limited, hereafter referred to as MBL. The chapter argues that two factors namely; the government's need for regional balancing in terms of allocating industries in the country, and the availability of manganese in Mansa District influenced the development of the Company. It is argued here that despite zinc, the other raw material for dry cells' manufacturing, being mined in Kabwe; a district which was in the central region of the country, a battery manufacturing Company was set up in Mansa on the premise that it would elevate the economic status of the province in general, and that of the district in particular. The chapter discusses how INDECO went into partnership with a Finnish company called OY Airam in establishing the Company. It explains the evolution of the Company; starting with the construction of the factory and its support infrastructure, a Guest House and staff houses. It further discusses some of the programmes which were initiated by the Management of MBL, such as Manpower Development and Planning and the formation of a Research Committee in a bid to develop the Company.

The chapter further examines the production, distribution and marketing of batteries. It is pointed out that the inability of Zambia National Wholesale Marketing Corporation (ZNMWC), an entity mandated to distribute batteries on behalf of MBL, to efficiently execute its duties, compelled MBL to open a branch in Ndola, and later on to engage other agents in order to capture all potential customers. It then explains how MBL's desire to earn foreign exchange through the export of batteries and Manganese culminated into the signing of Memoranda of Understanding (MOU) with some foreign companies, and eventually led to exports of manganese and zinc cans/callots. The chapter also explains how the Company opened a Guest House to the general public in order to have multiple sources of income, and ends with the analysis of the Company's performance from 1990 to1994.

2.2 The Origin of Mansa Batteries Limited

The status of Mansa as a Provincial Centre of Luapula was among the factors which influenced the establishment of the battery manufacturing industry in the area. It was the policy of UNIP government to create centres of economic activities away from the line of rail in order to contribute to the transformation of the inherited stagnant rural economy.[1] In that regard, Mansa as a Provincial Headquarters was to be an industrial and commercial hub of the entire province. Thus, the industry was to help in elevating the status of the district, which had hitherto derived its importance from a mere fact that it was a provincial centre. Apart from Mansa Milling which was established in 1967, there was no major industry in the district. Thus, MBL was envisaged to complement the milling company and other industries which were planned to be developed in the area, in stimulating economic activities and creating jobs for the local people. It was hoped that this would plug the outflow of people from the rural province of Luapula into the already densely populated towns on the Zambian Copperbelt.[2] George Simwinga argued that having committed itself to promoting rural development and reducing the income disparities between the rural and urban sectors of the country, the Kaunda government decided that the dry cell battery plant should be sited in the capital of the ‘‘remote’’ province, rather than at Kabwe in the central region of the of the country.[3]

Similar developmental projects took place in other rural Provincial Centres of the country. For example, INDECO in partnership with Daimler- Benz AG, Toyata Motor Sales Company of Japan and German Development Company attempted to set up a Commercial Vehicle Assembly Plant for the assembly of trucks and vans in 1975, in Kasama, the Provincial Capital of Northern Province. Nevertheless, the plan was abandoned in 1979 when INDECO failed to prove to its partners that it could provide the funds required to get the project off the ground and keep it supplied with the funds required in the future.[4] The setting up of Luangwa Bicycle Assembly Plant in Chipata; Eastern province, by INDECO in partnership with Atlas Cycle of India[5] was

[1] GRZ, *First National Development Plan*, 33.
[2] *Zambia Daily Mail*, 13th April, 1978.
[3] George Simwinga, ‘Corporate autonomy and government control of State enterprises’, in William Tordoff (ed.), Administration in Zambia (Manchester: Manchester University Press, 1980), 136.
[4] National Archives of Zambia (NAZ), ZIMCO 1/2/226, LOC 6995, INDECO, 129th Board Meeting, 1976, 2.
[5] Craig ‘State Enterprise and Privatisation Zambia, 1968-1998’, 99.

another typical example of how the provincial/rural centre statuses with their associated underdevelopment shaped the development of secondary industries in such areas.

The natural resource endowment of the area was another factor which Kaunda and his governing elite took into account in setting up the battery manufacturing industry in the area. Mansa had a history of Manganese mining. During the colonial era, particularly in the 1950s, the Rhodesia Vanadium Corporation opened a manganese mine at Bahati. The Corporation was allocated an area of over 200 square miles, with four manganese sites in Chimese and Matanda chiefdoms. These were Bahati, Masansa (near Kabunda Mission, Maela on the old Matanda Road) and Bukanda (near Paul Mambilima's Village.) [6] Other deposits of manganese ore were known to exist in Mansa area but had yet to be explored. In line with the government's policy of rural development through industrialisation, and adding value to local raw materials[7], the availability of manganese in Mansa became critical to the evolution of MBL.

Before the development of MBL, Zambia relied on import of dry cell batteries principally used in radios from England, Southern Rhodesia and South Africa. Since the Second World War when the country's first mass broadcast radio station was set up in Lusaka, radio remained the chief means of communication. Batteries were also used in the provision of energy for lighting up torches in rural as well as urban areas.[8]

The setting up of MBL reflected government's desired policy to establish and promote import substitution industries (ISI) in order to substitute imported goods for the locally manufactured ones.[9] The strategy of establishing ISI was given further impetus by the declaration of the U.D.I in Southern Rhodesia on 11th November 1965, and the subsequent closure of the border on 10th January 1973.[10] The closure of the southern border denied Zambia's access to the rest of the

[6] NAZ, LP 1/8/5, LOC 6801, Provincial and District Committees' Minutes/ Notes, Mansa District, 26th November, 1970.
[7] Brooker and Hoppers, *The Zambian Community and its Economy*, 202.
[8] Mudenda, 'Trade and Industrialisation Policies Experienced in Zambia',13.
[9] Chongo, 'The Impact of Rhodesia's Unilateral Declaration of Independence (UDI) on Zambia's Economic and Socio-Political Developments, 1965-1979', 77.
[10] Chongo, 'The Impact of Rhodesia's Unilateral Declaration of Independence (UDI) on Zambia's Economic and Socio-Political Developments, 1965-1979', 55.

world through the port of Durban. Moreover, the economic sanctions against apartheid South Africa led to a reduction in trade between Zambia and South Africa.[11]

From the foregoing analysis, it can be deduced that MBL was not only part of the rural development projects but was also part of the ISI strategy, aimed at manufacturing consumer goods using local materials to meet local demands. The initial installed capacity of the battery manufacturing plant was 31 000 000 batteries per year, for a single shift of eight hours. This was estimated as the country's self-sufficiency mark. Once the night shift was introduced, production was expected to double to 62 000 000 batteries per year. Excess batteries were expected to be exported to neighbouring countries in order to earn foreign exchange. The other objectives for the setting up of MBL were to supply Manganese to (a) Roan Consolidated Copper Mines, which indicated the need for 100-200 metric tonnes (MT) per month at Chambishi mine for the treatment of the tank house solutions and; (b) to Finland and other export markets. [12]

2.3 Development of Mansa Batteries Limited

2.3.1 Feasibility studies; construction of the battery factory, Guest House and housing units

The decision to set up a battery manufacturing plant in Mansa was made in 1972 upon which INDECO called for offers from international companies for partnership, with the Corporation holding majority shareholding.[13] The response from foreign companies was not very favourable and those which expressed interest in the partnership wanted majority shareholding. The only company to have come up with an acceptable offer was Tadiran Electronics Industry (TEI) of Israel which agreed to a 70-30 percent shareholding structure with INDECO Corporation owning the majority shares. Consequently, TEI which specialised in the manufacturing of batteries and other items like car radios was commissioned to undertake a feasibility study on the project. Having undertaken the first feasibility study of manganese ore mining at Mansa as a raw material for the batteries in February 1972, a report was submitted to INDECO immediately.[14] Therefore, in May 1972, when the Ministry of Development and National Guidance through the Ministry of Commerce, Trade and Industry presented to INDECO the list of projects to be implemented during the Second National Development Plan, the first feasibility study regarding the Dry Cell

[11] Mudenda, 'Trade and Industrialisation Policies Experienced in Zambia',13.
[12] Zambia *Daily Mail*, 22nd January, 1979, 4.
[13] *Zambia Daily Mail*, 13th April, 1978, 7.
[14] *Zambia Daily Mail*, 13th April, 1978, 7.

Project had already been undertaken.[15] The subsequent meeting therefore, which was held on 7th June 1972, by the INDECO Board of Directors mostly discussed other projects, while the Dry Cell Project was only mentioned in passing.

However, the rapture of the relationship between Zambia and Israel in 1973, following the latter's war with Syria and Egypt, resulted in the end of the partnership between INDECO and TEI.[16] Kaunda, a staunch supporter of liberation movements fell in line with the Organisation for African Unity's (OAU's) directive mandating member states to sever ties with Israel.[17] The Kafulafuta and Kafubu Cooperative Settlement Schemes on the Copperbelt, among other Israeli supported projects in Zambia also suffered a setback as a result of the strained relationship between Zambia and Israel.[18]

INDECO then began scouting for other investors. Invitations were sent out again to international companies. An offer was received in mid-1973 from a Finnish company; OY Airam, one of the major carbon-zinc cell manufacturers in Finland. It also produced various other electrical items like bulbs and machinery parts. The company was commissioned to undertake a further feasibility study in 1973. Similarly, it recommended Mansa for such a project due to the availability of manganese in the area; a recommendation that was in line with the government's policy of rural industrialisation.[19] The Zambian government obtained a development loan from the Finnish government for the battery project, and on 11th September 1974, MBL was incorporated with an authorised share capital of K550, 000. It was the first example of co-operation between a Zambian enterprise (INDECO) and a Finnish company (OY Airam) with shares of K550 000 as earlier noted and K150 000 respectively.[20]

The decision to establish the battery factory in Mansa was however, hotly debated in the planning stages as planners later found out that setting up such a complex industry in a rural area was not the easiest thing to do. However, despite suggestions that the industry should be sited in Kabwe which was more centrally located, and where the other raw material, zinc was mined, the

[15] NAZ, ZIMCO, 1/1/54, LOC 7031, IND/603 Volume III, Projects, Feasibility and Project Reports, 1972- 1977.
[16] NAZ, ZIMCO, 1/1/54, LOC 7031, IND/603 Volume III, Projects, Feasibility and Project Reports, 1972- 1977.
[17] M. Shwartz and A.P. Hare, *Foreign Experts and Unsustainable: Transferring Israeli Technology to Zambia, Nigeria and Nepal* (London: Ashgate, 2000), 97.
[18] Lynn Schler, 'Dilemmas of Postcolonial Diplomacy: Zambia, Kenneth Kaunda, and the Middle East Crisis, 1964-73', *Journal of African History*, Volume 59, No.1 (2018), 98.
[19] *Zambia Daily Mail*, 13th April, 1978, 7.
[20] *Times of Zambia*, Friday 31st July, 1981. 14.

UNIP government insisted that establishing the industry in Mansa as earlier indicated was in line with its policy of rural industrialisation.[21] Kabwe was considered as a developed district since apart from being the headquarters of Zambia Railways, and hosting zinc and lead mines, it had a manufacturing industry called Kabwe Industrial Fabrics. [22]

The site for the battery manufacturing project was acquired along Kabunda Mission Road, situated about 2.5 kilometres north-west of Mansa Township. A total of 200 hectares of land was acquired from Chief Chimese in 1974. The area was originally used for farming activities by some residents of Senama and Kabuta communities, who received no direct compensation for the loss of land.[23] One part of the plot numbered 830, situated on the right side of Kabunda Mission Road, was to cater for the battery manufacturing plant and its related infrastructure such as a laboratory, office building, manganese crushing plant, zinc furnace and a warehouse, while staff houses, club-house, tuck shop and a water tank were to be constructed on plot number 831, situated on the left side of the same road.[24] Plot 831 was also to accommodate a football pitch, volleyball and netball courts, and an orchard. The residential plot (part of plot 831) was situated to the south-west of the industrial/factory plot, and next to the industrial plot was a reserved plot for candle manufacturing plant/factory. By then, a comprehensive study on technical and economic feasibility of establishing candle-making facilities at rural provincial capitals had been undertaken.[25] Another plot was acquired from Mansa District Council, in the low-density residential area, for construction of a Guest House.

Site clearing and construction of the road connecting the Mansa–Nchelenge road to the factory and residential sites were completed by June 1975. However, due to the breakdown of the machine, the tarmacking of the road by the Roads Department was only completed in October 1975.[26] Machine breakdown during site clearing was not unique to the Dry Cell Project. In 1969,

[21] Zambia *Daily Mail*, 13th April, 1978. 7.
[22] Zambia Hansard No. 35 v, *Daily Hansard, Friday 15th February,1974, Official Verbatim Report of the Debates of the First Session of the Third National Assembly* (Government Printer: Lusaka, 1974), 1585.
[23] Interview, Robert Kasanda Lumpa, Kabuta Village, Mansa, Tuesday 28th July, 2022.
[24] Interview, Green Mumba, Muchinka Secondary School, Mansa, Tuesday 28th July, 2022.
[25] NAZ, ZIMCO 1/02/233, LOC 6996, INDECO Limited, 1976.
[26] 'Battery Plant to light up Mansa', 40.

when the site that was chosen for the Kawambwa Tea Plantation was being cleared, the D 10 caterpillar broke down frequently.[27]

A tender for the construction of staff houses was awarded to AMRO Limited towards the end of 1974. Construction of low-cost housing units began in the first quarter of 1975. However, owing to Zambia Clay Limited's inability to deliver bricks in time, construction work stalled in September 1975. Meanwhile, construction of a Guest House, medium and high-cost houses commenced in October 1975 since the larger parts of the buildings did not require the use of bricks, but blocks which were locally made on site. Before the company could go half way in construction, it initiated a programme of planting trees in the low-cost residential area. This was done because of the barrenness of the residential site.[28] By October 1976, construction of the 150 low-cost houses had been completed, of which a total of 99 units were ready for occupancy. By December 1976, all low-cost houses were ready for occupancy.[29]

Although construction of medium and high cost houses was done at a very fast pace when it began, completion was delayed by the non-availability of facing bricks and cement which could not be delivered on time by suppliers.[30] Thus, while the low cost houses were ready for occupancy by December 1976, the 42 medium and high cost houses were completed later on 18th March 1977.[31] It was against this background that one part of the residential area with a larger number of low cost houses was named Spark Residential Area 16, while the other side which constituted largely medium and high cost houses was named Spark Residential Area 18. The numbers 16 and 18 signified the completion dates of construction works.[32]

Cognisant of the problem of inadequate water supply experienced by Mansa residents in the 1970s, MBL decided to establish an independent water pumping station. In fact, shortage of water in Mansa Township was among the factors which delayed the implementation of MBL's Project. Shortage of water was due to the fact that the water tanks were too small to supply water to the entire township. At the time of their installation in 1966, the population of Mansa was

[27] GRZ, Ministry of Rural Development, *Annual Project Division*, 1ST - 31st January, 1970. 57.
[28] 'Battery Plant to light up Mansa', 40.
[29] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 128th Board Meeting held on 5th October 1976.
[30] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5th October, 1976.
[31] NAZ, ZIMCO 1/2/226, LOC 6995, INDECO Limited, Report on Point IV (C) 3, 129th Board Meeting, 1976. 2.
[32] Interview, Peter Kasanda, Kabuta, Mansa, Monday 16th April, 2022.

estimated at 15 000.[33] The same small tanks supplied water to the township in 1976 when the population of Mansa had risen to 80 343.[34] The situation was worsened by mechanical and technical faults experienced by the water pumping machine from time to time. Against this background, in the first quarter of 1975, INDECO contracted Messrs Wijnberg to construct a large water tower. However, despite finishing construction of the water tower in September, the contractor was unable to finish the water project work during the year under review due to non-availability of six inch diameter asbestos cement pipes for tapping water from the main source, Mansa River, to the water tower. The pipes could not be obtained from the supplier, Tap Limited, due to import licence difficulties it was experiencing.[35] However, by the time the low-cost houses were completed, all the works to do with the Company's own water supply were completed; testing was already done, and the water tower was commissioned.[36]

Mwaiseni Properties Limited (MPL), a subsidiary of INDECO Limited was given the responsibility of constructing the factories and other related infrastructure for INDECO subsidiaries where necessary. MPL obtained a loan amount of K3.6 million from Zambia National Provident Fund (ZNPF) in 1975, and spent the whole amount on the Dry Cell Project.[37]

In an effort to expedite construction works, MPL subcontracted Delkins Limited in October 1975 to construct a steel frame main battery factory building, office building, washrooms, a canteen block and a building to accommodate the manganese crushing machine, while MPL itself concentrated on the laboratory building and zinc furnace. The major contractor started construction of the aforementioned structures in October 1975, while Delkins Limited began constructing the factory building, office and canteen blocks in December 1975. As the party (UNIP) and government wanted production to commence in the shortest time possible, Delkins General Manager, Mr. Robert Clarke, was requested to prioritise the completion of the factory building, and the office block. Accordingly, by April 1977, the office block had been completed,

[33] Rodrick Simwanza, 'Mansa drought ends', *Z Magazine*, No. 76 (September 1975), 25.
[34] 'Mansa Looks Ahead', *Enterprise Magazine*, No. 3 (1976), 16.
[35] NAZ, ZIMCO 1/2/207, LOC 6992, INDECO Properties Limited, Board Papers, Progress Report, 1975.
[36] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5th October, 1976.
[37] N AZ, ZIMCO 1/2/226, LOC 6995, INDECO Limited, 129th Board Meeting, 1976.

and MBL had taken possession of half of it.[38] By June 1977, MPL had also completed construction works of the zinc furnace, and laboratory building.[39]

Construction of the factory building was delayed for about three months (April - July) by a number of factors. Prominent among them was the challenge faced in accessing foreign exchange, which resulted in non-availability of glass, bolts and cladding.[40] In the same vein, Barclays Bank took time to open a letter of credit at the value of US$7,478, 00, which was required by GEC Zambia Limited, one of the subcontractors, for 20 percent down-payment for the air conditioning system ordered from abroad since April 1976.[41] This was due to reduced revenue from the mining industry. From 1974 to 1978, revenue from the mining sector fell drastically. The drastic and prolonged fall in the price of copper; the country's main export commodity led to delays in making payments for imports and other obligations. Since the fall in copper prices happened at a time when inflation both overseas and in Zambia was high, foreign owned commercial banks that operated in Zambia were overdrawn on their foreign accounts and were therefore at times not in a position to open letters of credit which were required for normal trading.[42] Furthermore, Zambia Electricity Supply Corporation (ZESCO) delayed in extending electricity supply from Musonda Falls to the factory.[43]

However, despite experiencing some hurdles in importing some materials, combined efforts and team work by the government, Delkins and the suppliers, construction works of the factory and manganese dioxide buildings were completed in August 1977.[44] This was after ZESCO had connected electricity to the factory building in December 1976.[45] Having completed the construction of all the infrastructure at the factory, MBL requested the contractor to construct a combined workshop and stores building. In October 1977, construction of the stated buildings was completed. At the same time, a Germany company, SIAC GmbH supplied and installed the

[38] Zambia Daily Mail, 13th April, 1978, 8.
[39] NAZ, ZIMCO 1/2/266, LOC 7000, Mwaiseni Properties Limited (MPL), 49th Board Meeting held in INDECO Board Room, 8th Floor ZIMCO House, on Tuesday 30th August, 1977, at 09: 00 AM.
[40] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5t h October, 1976
[41] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5th October, 1976
[42] Zambian Hansard no. 48 kk, Daily Parliamentary Debates, Friday 17th March, 1978, Official Verbatim Report of the Debates of the Third Session of the Third National Assembly (Lusaka: Government Printers, 1978), 3299.
[43] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5th October, 1976.
[44] Zambia Daily Mail, 13th April 1978, 8.
[45] NAZ, ZIMCO 1/2/231, LOC 6996, INDECO Limited, Report on Point IV (C)3, 129th Board Meeting held on 22nd July, 1976.

manganese crushing machinery at a cost of K304,840.[46] Since the power utility company had already extended power supply to the factory, the crushing and milling of manganese ore commenced in October 1977. From October to November 1977, enough manganese was crushed into powdered form in advance so as to meet the requirements of the factory when it became operational.[47]

However, the government's dream of having a battery making factory come into production early could not be realised. This was because even after construction works had been completed, installation of the battery manufacturing machinery was delayed by the late arrival of some machinery components. This was mainly due to transportation challenges.[48] OY Airam, the supplier of all the battery manufacturing machinery to the factory managed to dispatch the first consignment containing a zinc can on time, in the second quarter of 1975. The second consignment which was expected to arrive in Mansa in April 1976 in readiness for installation in June 1977, reached the factory in July. Even so, some components of the machinery were left behind, and their late arrival resulted in the machinery being installed in January 1978.[49] The estimated cost of the project at the time of completion was K12, 500 000.[50]

2.3.2 Official opening of Mansa Batteries Limited

In preparation for the opening of MBL, INDECO appointed a General Manager, Mr. John Mufarari, and sent him for training in Finland in January 1976, in addition to the six school leavers who were also sent to Finland to train in various technical positions at OY Airam's factory. The trained personnel returned in the last quarter of 1976, and helped in the installation of the battery manufacturing machinery.[51] In addition to the Finnish trained Zambians, two foremen and a Personnel Manager were recruited locally, while four expatriates were also recruited from Finland to fill the positions of Technical and Assistant Technical Managers, Production Manager and Floor Engineer respectively.[52]

[46] 'Battery Plant to light up Mansa', 40.
[47] *Zambia Daily Mail*, 13th April, 1978, 7.
[48] *Zambia Daily Mail*, 13th April, 1978, 7.
[49] 'Battery Plant to light up Mansa', 40.
[50] *Times of Zambia*, Friday 31st July, 1981. 14.
[51] NAZ, ZIMCO 1/2/229, LOC 6995, INDECO Limited, Report on Point IV CC/6, 5th October, 1976.
[52] NAZ, ZIMCO 1/2/231, LOC 6996. INDECO Limited, Report on Point IV (C) 3, 22nd July, 1976.

Following the installation of the battery manufacturing machinery, the first manufactured batteries at Mansa were tested in March 1978, and the tests proved that they were all in excellent state.[53] On 13th April 1978, Mr. Mainza Chona, the UNIP Secretary General officially opened the Company, while OY Airam was represented by Mr. Kalevi Sorsa, the Prime Minister of Finland. At the time of commissioning, the output capacity of the machinery was about 31 000 000 batteries per year. Of these, 23 000 000 were to be the big size R20 type, 5 000 000 of R14, and 3 000 000 of R6 which was the smallest size.[54] While both the R20 and R14 could be used in radios and torches, the R6 was to be used in calculators. Spark was a registered trademark of these dry cells.

2.3.3 Labour recruitment

The production process of batteries was not only a capital but also labour-intensive activity. It involved mining and transportation of manganese to the factory where it was crushed. Other works included the purchasing of other raw materials and components, processing of zinc bars into sheets and then into cans. Many other activities were involved in the manufacturing, distribution and selling of batteries. In order to perform various tasks which were aimed at meeting the increased demand for batteries, more professional and support staff for both skilled and non-skilled tasks were recruited.[55]

Owing to the scarcity of qualified trained human resource at that time, recruitment of staff to fill managerial, technical and other posts which needed trained manpower was an on-going process. There were also internal transfers within the INDECO group of companies by which vacancies at MBL were either created or filled. Involved mainly were senior managerial and supervisory positions.[56] Whenever vacancies occurred in the categories which required skilled manpower, they were internally advertised within MBL in order to give chance to any of the employees who might have had the right qualifications. When qualified personnel were not found, the posts would be advertised within the INDECO group of companies, and if still no suitable candidates were found, adverts were made public through the press. Shortlisted candidates were called for interviews at MBL itself for those who were recruited from the Company. However, the General

[53] *Times of Zambia*, Friday 31st July, 1981. 14.
[54] *Zambia Daily Mail*, 13th April, 1978. 7.
[55] Interview, David Chimba, Kabuta, Mansa, Thursday 14th April, 2022.
[56] Tobias. W.C. Sumaili, *Social and Cultural Dimensions at Mansa Batteries Limited (MBL)* (Helsinki: TECO Publication, 1987), 12.

Manager was always recruited from INDECO Headquarters in Lusaka[57] through either an interview or transfer from other INDECO subsidiaries.

Positions for general workers were not advertised in the press. Although they were expected to be recruited through the Labour Office, the majority of them heard about the vacancies they applied for either through their relatives or friends. Immediately a vacancy occurred in any of the sections or departments at the factory, word quickly went around the factory, thereby rendering the work of the Labour Office in that regard irrelevant. Nevertheless, like in the other categories stated above, shortlisted candidates were also subjected to interviews. Thus, selection was not automatic.[58] It was however, debatable whether the selection process was free of nepotism especially in situations where competition was stiff considering the fact that some interviewees had either relatives or friends who were already working for the Company while others had no connections.

Workers were classified into five categories namely; managers (management), supervisors, technicians, clericals and general workers.[59] Management was subdivided into senior and middle management. There were eight positions which were classified as belonging to senior management, viz: General Manager, Works Manager, Plant Engineer, Chief Accountant, Personnel Manager, Marketing Manager, Production Manager and Quality Assurance Manager.[60] The number of employees under the senior management category was the smallest while that of the general workers was the largest. Critical analysis of the available data showed an increase in employment during the formative years. In 1976 before MBL was officially opened, four expatriates were recruited from OY Airam, Finland as earlier noted. The recruitment was formalised in 1978 when INDECO signed an agreement with OY Airam by which some of the Finnish experienced employees were to be seconded to MBL as a way of maintaining the smooth running of the machines at the battery factory. Therefore, among the 237 who were employed by December 1979; four were Finnish expatriates, the Chief Accountant was an Indian, and the rest were Zambians. Employment of expatriates in the fields which lacked indigenous expertise was common in Zambia.

[57] Interview, Chimba.
[58] Interview, Chimba.
[59] Interview, Joseph Chimfwembe, Spark Area 18, Mansa, Wednesday 13th April, 2022.
[60] Interview, Chimfwembe.

In 1982, the number of Company employees rose to 287. By February 1983, as more employees were recruited, the number reached 294 against the authorised personnel strength of 323. In 1984, the authorised personnel strength was at 337 workers, while the actual number of employees was 316. There were three expatriates under the Finance/Accounts Department and three under the Production and Engineering Departments, but all of them were employed on contract.[61] In 1985, staff establishment was at 365 while the actual number of workers was 336. There were two expatriates in the senior management category particularly in Accounts Department and one in the middle management category under the Engineering Department.

It should however, be noted that at times, MBL was able to meet its socio-economic obligation of creating jobs even in situations where its economic performance was bad. For example, despite having recorded losses of K2 326 621 and K1 861 301 in the 1980/81 and 1981/82 Financial Years, respectively[62], MBL was able to create more jobs, thereby increasing the number of workers from 237 in 1979 to 287 by 1982. It was against this background that a group of experts under the Industrial Development Advisory Team (IDAT) that visited the Company in 1987, recommended for a reduction in the labour force. This resulted in sending a number of workers who were deemed lazy on early retirement thereby reducing the labour force from 302 to 286 in August 1987. In December 1987, the number was further reduced to 246 even though the authorised personnel strength was 375 by then. In 1988, the authorised manpower strength drastically reduced to 268, although the actual manpower had marginally increased to 255 workers. By 1993, the manpower establishment of MBL was at 210 but only 202 were in active employment.[63] By then, the Chief Accountant was the only expatriate. Expatriates were always on contract so that in line with the policy of Zambianisation, they could easily be replaced once qualified local human resource was available.

2.3.4 Staff Development

In addition to the six Zambian personnel who were sent to OY Airam for four to six months training before the commencement of production as noted earlier, MBL had a two-year training programme for technical personnel with OY Airam. The Staff Development Programme at MBL

[61] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, on Tuesday 5th June, 1984, at 09:00 AM.
[62] INDECO Limited, *Annual report and accounts for the year ended 31st March, 1982, 13.*
[63] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Personnel Manager's Report on Manpower Strength for the quarter ended 30th June, 1993.

did not end with the mutual separation of INDECO and OY Airam in 1982, as the Company's need for skilled manpower and also to implement the government's policy of Zambianisation gave birth to the Manpower Development and Planning Programme (M.D.P.P) in that same year. The programme was developed for training employees at supervisory and technical levels. The formulation and identification of training areas and needs was a collective responsibility of departmental heads and the Personnel Officer (Training and Recruitment). The Training Committee discussed the training needs and recommended employees to be trained.[64]

Four types of training namely; full-time-training (local), out-of-base training, training within industry and overseas training were carried out. Under local full-time-training, employees were sent for training within the country to pursue courses for long periods, while overseas training by which employees were sent outside the country involved both short and long courses. Out of base training periods were generally short courses and did not normally last more than four weeks. They were mostly specialised short course seminars.[65]

In 1985, the Personnel and Engineering Department resolved to temporarily stop the training within industry programme in order to assess its suitability. This was after four trainee fitters had been confirmed in their positions at the end of their practical experience at the factory.[66] Similarly, the last intake for overseas, local full time and out-of base trainings were sponsored in 1985 although the programme officially ended in 1988 when the last student graduated from one of the local institutions. Discontinuity of the programmes could be attributed to lack of funding for the programmes since MBL had multiple financial commitments. See appendix 1 for a summary of the number of candidates, learning institutions they enrolled at, and the courses pursued.

2.3.5 Expert advice

The M.D.P.P was however, not the only way by which MBL acquired knowledge and skills critical to its development. There were stakeholders such as the Commonwealth Secretariat and other international organisations whose guidance and expert advice were crucial to the Company's growth. For example, in 1981, a delegation from the Commonwealth Secretariat

[64] Sumaili, *Social and Cultural Dimensions at MBL*,14.
[65] Sumaili, Social and Cultural Dimensions at MBL, 14.
[66] Sumaili, Social and Cultural Dimensions at MBL, 14.

visited the factory and made some recommendations which were aimed at improving the factory's operations. It also echoed the Company's intention of introducing a double shift and manufacturing of R20-heavy duty batteries. Up to that point, operations had been restricted to an 8 hour single shift, while heavy duty batteries were not yet introduced on the market due to the fact that MBL had insufficient funds to buy adequate raw materials to cater for two shifts[67] and the production of the said battery type. Management was however, urged to work towards the realisation of the aforementioned objectives in view of the high demand for the product as indicated by the market surveys which were conducted in 1980.

In addition to the visit by the team from the Commonwealth Secretariat, MBL hosted delegates from Helsinki in 1986. Not only did the team of experts offer advice to the Company but it also helped in setting the machines correctly in order to improve on their performance. In 1987, another group of experts from the IDAT visited the factory. As noted earlier, IDAT's recommendations resulted in the reduction of MBL's work force from 302 to 286 (which was considered to be ideal) by the end of August 1987 on one hand, and the recruitment of the Works Manager in 1988, whose role was to oversee all the engineering functions in the Department of Engineering on the other hand.[68] As an interim measure, while awaiting the recruitment of a Works Manager, a United Nations Industrial Development Organisation (UNIDO) expert worked at the factory for a period of one year as a Technical Manager, and helped MBL a lot in improving the quality of batteries. This was similar to what took place at Zambia Breweries Limited in Lusaka and Ndola, where in 1985, experts from West Germany lectured on the brewing techniques for 6 weeks as a way of improving on the quality of beer.[69]

However, Management's commitment to the agenda of developing MBL could not be gauged by a mere implementation of recommendations but by its financial commitments to experts that offered technical advice. For example, a certain amount of money was apportioned in the 1988's fourth quarter budget as consultation fees to be paid to consultants from UNIDO[70] and any other experts that were to provide consultancy services to the Company. This was common practice

[67] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, on Tuesday 26th November, 1983, at 11: 00 AM.
[68] NAZ, ZIMCO 1/2/470, LOC 8059, MBL, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, on Friday 14th August,1987, at 09:00 AM.
[69] Mphaisha, 'Public enterprise and industrialisation: The case of Zambia Breweries Limited', 161.
[70] NAZ ZIMCO 1/2/495, LOC 8061, MBL, Report on the Administration expenses for the quarter ended 31st December, 1988.

among rural based industries. KTC took the same path of paying some fees to Mackwoods Development Limited of Sri Lanka in order to obtain expert advice which was critical to the development of the tea growing and processing industry,[71] while the Mongu Cashew nut growing and processing company even went a step further by sponsoring three of its personnel on a study tour to Tanzania, in a bid to develop the company.[72]

2.3.6 Early years of production

Production of batteries for sale began in June 1978. The first Financial Year, 1978/1979 was characterised by low productivity. Production was adversely affected by the problems connected with the design of the battery manufacturing machinery. Therefore, in the first few months, only 8 000 batteries could be produced per day against the expected output of 85 000.[73] Consequently, the country experienced a shortage of batteries for almost a year.[74] Machinery modifications and improvement in administrative arrangements did not bring about the desired results. Between June 1978 and January 1979, the factory produced 2 283 000 batteries against a target of 21 000 000. For the period of 9 months (April-December 1979), 3 942 000 batteries were produced against the expected output of 23 000 000.[75] MBL made no profit during the said period. Instead, a cumulative loss of K1 586 000 was incurred for the three consecutive quarters. By the end of the Financial Year, on 31st March 1980, the factory only produced 5 762 000 batteries.[76]

There was an early realisation that the overall development of MBL was anchored on productivity. To that effect, machinery replacement became the only option. In March 1979, the Director General of ZIMCO, the Director General of Projects at INDECO, and the General Manager of MBL travelled to Finland where they held a discussion with officials from OY Airam. They were assured that replacement machinery would be dispatched in September 1979. The machine suppliers agreed to replace the machinery at their own cost. Representatives of ZIMCO, INDECO and MBL rejected the idea of carrying out test runs of the machinery in Finland. Between 20th October and 21st November 1979, all the battery manufacturing machines not subject to replacement were overhauled, while test runs were conducted on the new

[71] Mulobelwa,'A History of Kawambwa Tea Company Limited, 1970-1996', 33.
[72] Situtu, 'The Role of the Cashew Nut Industry in the Socio-Economic Development of Mongu District of Western Province, Zambia, 1972-2011', 59.
[73] Stanley Lungu, 'Mansa Battery Factory', *Z Magazine*, No.100 (April 1979), 9.
[74] Zambia *Daily Mail*, 22 January, 1979. 4.
[75] NAZ, ZIMCO 1/2/334, LOC 8040,142nd Secret Board Papers, 1979-1980, 091.
[76] NAZ, ZIMCO 1/2/334, LOC 8040,142nd Secret, 1979-80,092.

machines. Though the performance of the R20 assembly machines was satisfactory, the performance of the assembly machines for R14 and R6 lines was unsatisfactory. Consequently, suppliers were asked to repair them before acceptance. Having repaired them, the three assembly lines were successfully installed and commissioned on 30th December 1979.[77] The rated capacities of the machines for a single shift were 16 800 000 units for R20 cells, 7 460 000 units for R14 cells and 3 000 units for R6 cells per year. In January 1980, INDECO paid the six months' rental arrears for the last time to MPL on behalf of MBL. This was because despite the last quarter of the Financial Year 1979/80 having been characterised by low productivity as earlier indicated, the battery manufacturing company was 'now' considered geared for full production on account of installation of new machinery. [78]

2.3.7 Mutual separation of OY Airam with INDECO/Mansa Batteries Limited

As already pointed out earlier, recruitment of Finnish expatriates (from OY Airam) for servicing and repair of the battery manufacturing machinery, was part of the agreement signed between INDECO and OY Airam in 1978. However, the said expatriates proved to be inexperienced, inefficient and incompetent. Contrary to INDECO's expectation that dialogue with its Finnish counterpart would provide a remedy to the problem, the notification of OY Airam about the attitude and calibre of its staff by INDECO only resulted in the termination of contract and the sale of the former's shares to the latter in 1982.[79] This took effect on 15th October 1982 when INDECO Limited purchased a total of 74 999 of OY Airam's fully paid up equity shares of K2 each, at K1 each.[80] The agreement was approved by the Bank of Zambia, the Board of Directors of the INDECO, and the Central Bank of Finland. Karmiloff however, was of the view that 'the disinvestment of the shares by the foreign partner came only after numerous attempts made by OY Airam and the Finnish government to assist MBL yielded no results.'[81] Chimfwembe added that, contrary to the view that there was a degree of incompetence among the expatriates, there was a general desire among some local (Zambian) employees to be independent of foreign

[77] INDECO, *Annual Report 1979/80*, 3.
[78] NAZ, ZIMCO 1/2/334, LOC 8040,142nd Secret, 1979-1980, 092.
[79] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[80] NAZ, ZIMCO 1/2/406, LOC 8053 MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[81] Igor Karmiloff, 'Industrialisation in Sub- Saharan Africa; Country Case Study—Zambia', Working Paper No. 26 (West Yorkshire: Overseas Development Institute, 1989), 38.

involvement.[82] This meant that the alleged incompetence and inefficiency of the Finnish expatriates could have been exaggerated by some Zambian employees who envied the positions held by the former.

Additionally, an agreement pertaining to the claims and counter claims between OY Airam and MBL was drawn and signed, whereby the former was to pay the latter and INDECO a total of K51 269 82 on one hand, and receive K42 027 34 from them on the other hand. Since the Management of MBL wanted to see the Company flourish, it resolved that the difference of K9 242 55 be settled by OY Airam through delivery of spare parts amounting to Finnish Markka (FIM) 50 834 03 on Cost and Freight (C & F) basis.[83] More value was attached to the spare parts than that attached to the actual refund since spare parts were to be utilised in generating more money. Accordingly, in September 1983, an order for spares worth K 9 242 55 was placed.[84]

2.3.8 Taking over of the factory infrastructure from Mwaiseni Properties Limited

Even before the official opening of MBL, MPL had already started mounting pressure on the former to compel it to start renting the infrastructure at the battery manufacturing plant. For instance, in September 1977, MBL's General Manager was approached to make a payment of K 100,000 to MPL towards rentals for the period of three months (July-September). However, the request was rejected on the grounds that no rent could be accrued by the Company until it was commissioned.[85] Accordingly, with effect from 13th April 1978, MBL was obliged to pay monthly rent for the factory buildings. Having realised that the rental payments which were increased annually were exorbitant (for instance, in 1982, the monthly rent for the factory buildings was pegged at K25, 000), and therefore a barrier to the attainment of MBL's developmental objectives, the INDECO Board of Directors proposed to transfer the properties (the factory buildings) and the equivalent liabilities from MPL to MBL.[86] The transfer was expected to take place in the first quarter of the Financial Year 1980/81. However, owing to inconsistent production as earlier indicated during the 1978/1979 and 1979/1980 Financial Years, MBL took over the factory infrastructure on the 1st of October 1982 at a cost of K4, 125,

[82] Interview, Chimfwembe.
[83] NAZ, ZIMCO 1/2/406, LOC 8053 MBL, Minutes of the 33rd Meeting of the Board of Directors, 1983.
[84] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[85] NAZ, ZIMCO 1/2/266, LOC 7000. MPL, 49th Board Meeting held in INDECO Board Room, 8th Flour, ZIMCO House, Lusaka, 30th August, 1977.
[86] NAZ, ZIMCO 1/2/406, LOC 8053 MBL, Minutes of the 33rd Meeting of the Board of Directors, 1983.

236, together with the ZNPF loan of K3 600, 000 from MPL.[87] By so doing, MBL avoided paying rent. It was hoped that the transfer of the factory infrastructure would increase the value of fixed assets on the balance sheet of MBL.

2.3.9 Mining of Manganese

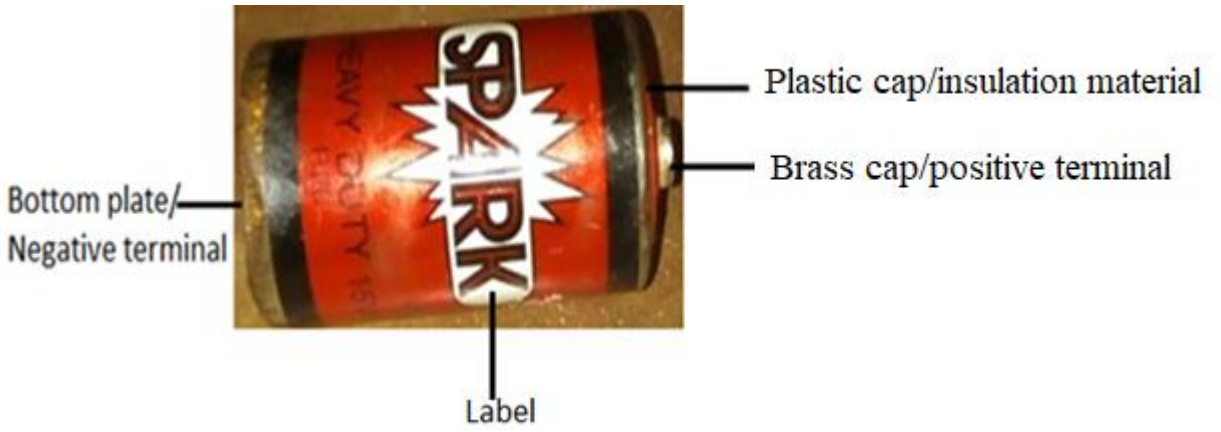
Initially, manganese mining operations ran smoothly because few MBL's vehicles were utilised in mining activities before the commencement of battery manufacturing. However, as the need to use the vehicles in the collection of raw materials other than manganese and the distribution of batteries arose, the Department of Transport became overwhelmed. Thus, in 1983, mining was constrained by inadequate vehicles for hauling manganese ore from the mine site to the factory for crushing. At first, Management suggested that MBL should engage a private mining contractor to be supplying the raw material. However, it was realised that heavy reliance on the contractor would make it difficult and expensive for MBL to meet export requirements for manganese. In view of this, it was suggested that a tipper and delivery trucks should be purchased to arrest the transport problem.[88] Mining and transportation of manganese created secure and sustainable jobs for miners and drivers.

2.3.10 Acquisition of other raw materials; components, spare parts and machinery

Even though the feasibility studies undertaken prior to the establishment of MBL were mainly based on the assessment of the quantity and quality of manganese which was mined in Mansa as the key raw material, and zinc from Kabwe, these were not the only raw materials required in the manufacturing of batteries. Production of batteries required other raw materials and components like those identified in figure 1 on page 45, which were sourced outside Mansa or overseas.

[87] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors, 1983.
[88] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.

Figure 1: R20 heavy duty Spark battery- some components and raw materials



Source: Field data: Picture taken on Saturday 21st November, 2020.

To appreciate the complexity of the dry cell manufacturing process and the different raw materials and components that were involved, see appendix 2 (FUJITSU battery manufacturing flow chart).

Raw materials such as Zinc Chloride, Ammonium Chloride, Electrolytic Manganese Dioxide, Zinc Sable 1, super (s) black and acetylene black were used in the dry cell manufacturing process at MBL. In fact, even the manganese ore mined locally required the use of synthetic Manganese Dioxide which was sourced from foreign suppliers.[89] Thus, other raw materials; components, battery manufacturing and ancillary machinery's spare parts were required. These items as the third chapter sheds more light on them were purchased from both local and foreign suppliers. MBL needed foreign exchange in order to purchase inputs and components from overseas. From 1979 to 1981, it received a good number of spare parts from Finland. For example, in 1980/81, MBL received spare parts and consumables worth K 134 336 83 through Finnish aid. In some instances, foreign commodity loans aided the acquisition of machinery, spare parts and raw materials for the smooth and consistent running of the Company. For instance, in 1983, about 1 200 000 Dutch florin (Fl), the equivalent of K1 021 277, commodity loan was acquired from which the battery body maker machine and other machinery and spare parts were purchased. The body maker machine was installed in May 1984, but the black mixer machine was shipped later and arrived in Mansa in June 1984 and was installed immediately. [90] The new body maker

[89] 'Mansa Manganese will solve the battery problem', *Enterprise Magazine*, No 4 (1976), 9.
[90] Zambia Daily Mail, Monday 28th May 1984. 8.

machine replaced the old and ineffective one (owing to its frequent breakdowns) which was installed by OY Airam in January 1978.

2.3.11 Measures taken to substitute some imported raw materials, components and spare parts

In its quest to develop the Company, Management strived to minimise the use of imported raw materials and components; and the consequent delays in accessing the items, as well as loss of revenue through payment of customs duty. To attain the above stated goal, MBL formed a Research and Development Committee (RDC) of eight members from among its employees in 1983, whose mandate was to carry out research aimed at partially freeing it from dependence on foreign inputs.[91] When the idea of setting up a battery plant was conceived, utilisation of locally available resources was emphasised. Thus, the Company and its committee took a number of measures in an attempt to substitute imported raw materials and components.

First, it engaged local companies to manufacturer brass caps. The drawings and technical details of the said component were submitted to Monarch Zambia Limited of Kitwe in 1983 for a detailed study and possible manufacturing. While the drawings and technical details were being studied in Kitwe, International Enclosures Limited (IEL) of Lusaka submitted samples of their locally manufactured brass caps which were tried on the MBL's machines, and were found acceptable. However, Management requested IEL to perfect the items so that high quality and standards could be maintained.[92] Nevertheless, the company did nothing to improve on the components to the satisfaction of MBL, until it finally and totally abandoned the idea of manufacturing them much to the disappointment of MBL.

Similarly, Monarch Zambia Limited provided no feedback following the submission of drawings.[93] Possibly, this could have been due to the fact that the design of its machinery was not compatible with the required brass caps' size and standard. In addition to the non-compatibility of the machinery, Monarch Zambia could not have been a consistent supplier of brass caps owing to its heavy dependence on foreign raw materials. For instance, in December

[91] Interview, Mumba.
[92] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, Minutes of the 37th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, on Tuesday 28th February, 1984, at 09: 00 AM.
[93] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.

1979, the factory was closed down when it ran out of steel, the main raw material. Production was also negatively affected between July and December 1982 by the non-arrival of the soldering, punching and beading machines from Italy.[94] Had these events taken place when Monarch Zambia Limited was contracted by MBL, the latter could have been a victim of circumstances.

In January 1985, the RDC suggested that the purchasing of plastic caps (top covers) and contact caps (bottom plates) separately was more expensive than using a single metal for both the top and bottom parts. Therefore, the committee resolved to replace both contact and plastic caps with one metal cap. However, having realised that the use of metal caps would be very costly as it required machinery modification,[95] MBL dropped the idea of replacing contact caps and plastic caps with metal caps, and came up with a proposal of manufacturing the caps/top covers which would incorporate both brass and plastic caps, while contact caps were to be obtained from IEL rather than purchasing them from overseas. To realise the objective, in March 1985, the RDC through the Department of Marketing requested Norgroup Plastic Limited of Ndola to import a mould from Germany at a cost of Deutsch Mark (DM) 92,000, on behalf of MBL.[96] Nevertheless, the mould which was on the market was not compatible with MBL's machinery. Consequently, MBL continued importing the aforementioned components. However, in line with the Company's desire to have integrated brass caps, the latest imported top covers had incorporated brass caps (a top cover with a brass at its middle).

In a related development, the RDC's attempts at ensuring that MBL began purchasing Ammonium Chloride locally hit a snag when Commercial and Industrial Limited of Lusaka; the company which manufactured the commodity decided not to venture into commercial production. This was also the case with Zinc Chloride despite feasibility studies having indicated that many other companies in the country apart from MBL were in need of it. Consequently, MBL resolved to start manufacturing Zinc Chloride from within the factory premises.[97] However, having realised that the production process of the said chemical would still depend on

[94] NAZ, ZIMCO 1/2/334, LOC 8040, 142nd Secret, 1979-1980, 098.
[95] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, on Thursday 23rd May, 1985, at 09: 00 AM.
[96] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Minutes of the 43nd Meeting of the Board of Directors held in the Company's Board Room, Mansa, on Thursday 22nd August, 1985, at 09: 00 AM.
[97] NAZ, ZIMCO 1/2/448, LOC 8057, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.

the importation of machinery and chlorine, the idea was abandoned. Eventually, MBL's dream of obtaining Ammonium Chloride and Zinc Chloride locally was not realised.

Another intervention involved the idea of replacing Karaya gum with a locally sourced material. This idea was conceived in 1983, when the RDC identified some tree species which were a source of tragacantch gum in Luapula Province. The gum was almost identical to the imported Karaya gum which MBL utilised in the manufacturing of batteries. To that effect, professional advice was sought from the Chief Forestry Officer in Kitwe on whether the tree species could be used for local gum production or not. In April 1984, MBL received a report that was not in favour of tragacanth but highly recommended the growing of a different tree species which was deemed suitable. The growing of trees meant that the project had to be a long term one. Besides, MBL was required to provide funds for the project in addition to making its testing facilities available. Management had no objection in offering laboratory testing facilities, but declined to commit itself to project funding.[98] Declining to fund the project which was solely aimed at benefiting MBL and not the Forestry Department meant the natural death of the project.

However, the unsuccessful tragacanth project did not allow apathy to take the place of enthusiasm as the RDC finally came up with an idea of using cassava flour in place of Karaya gum in 1989, considering the fact that cassava flour was a gelling agent like Karaya gum. The material was subjected to laboratory tests between October and November 1989, and the results were positive. During the same period, cassava flour was used as a raw material in some of the batteries which were manufactured, and the batteries worked perfectly well. Consequently, part of the Company's orchard was apportioned for cassava growing which began in 1989. Cassava bought from the local people was used in 1990 and 1991 in battery manufacturing before the Company's own cassava was ready for harvest in 1992.[99] The use of cassava flour was a milestone in the development of MBL as it helped in channelling the money which used to be spent on the purchasing of Karaya gum to other needy areas. This development was similar to

[98] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.
[99] Interview, Mumba.

the step taken by Zambia Breweries Limited in 1986 when it substituted imported malt with malt from locally grown barley.[100]

Furthermore, in order to do away with imported synthetic manganese, Management resolved to be using Electrolytic Manganese Dioxide (EMD) which had high chances of being manufactured locally using manganese ore as a major raw material. MBL was motivated by the facilities which were available at Kabwe Division of Zambia Consolidated Copper Mines (ZCCM), for the production of EMD, and feasibility studies had already been undertaken for its commercial production as the commodity was deemed to have export potential in the region. Thus, between January and February 1987, MBL through INDECO decided to partner with ZCCM-Kabwe Division in the production of EMD. In that partnership, the former was expected to contribute manganese ore and in turn obtain EMD while the latter was to make production facilities available and in turn retain some percentage of EMD. Between April and June 1987, MBL paid an amount of K11 257 50 to ZCCM towards the 50 percent share cost of the initial cost of the project.[101] The total cost of the project was K150 000. In October 1987, MBL paid an additional K63 742 5.

ZCCM gave monthly reports to MBL on the progress of the project. However, the project was implemented at a very slow pace. Concerned with the snail's pace at which the project was moving, the General Manager of MBL commented that:

> ZCCM has been giving us monthly reports concerning the Electrolytic Manganese Project. Progress still appears to be steady but slow. We wrote to the Managing Director, INDECO Limited, requesting for his intervention to speed up the work which is currently estimated to be completed in the last quarter of 1989 or the first quarter of 1990.[102]

However, available evidence showed that the project was still incomplete in 1990. Records revealed that in 1993, 65 MT of EMD were delivered to MBL from one of the suppliers in South Africa[103], while synthetic manganese ordered from other suppliers in Europe was in transit. This

[100] Mphaisha, 'Public enterprise and industrialisation', 157.
[101] NAZ, ZIMCO 1/2/470, LOC 8059, MBL, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, on Friday 14th August, 1987, at 09:00 AM.
[102] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Minutes of the 52nd Meeting of the Board of Directors held in the Conference Room, Mansa, on Thursday 26th November, 1987, at 09:45 AM.
[103] NAZ, ZIMCO 1/2/145, LOC 7029. MBL, Departmental Reports-Purchasing for the quarter ended 30th June, 1993.

meant that since MBL lacked its own equipment for processing manganese ore into EMD, it continued spending on imported EMD.

Lastly, the Engineering Department at MBL had a workshop where some parts for different machinery types were made. This was aimed at reducing reliance on imported spare parts which were expensive and took relatively long to reach the factory whenever they were ordered, thereby subjecting MBL to losing productive hours. Thus, MBL worked relentlessly to manufacture some of the spare parts on its own and only imported those which were seemingly complicated to manufacture due to raw material or spare part machinery's manufacturing limitations. The department had a lathe machine from which bolts, nuts, shafts and threads were made using steel, bronze, cast iron, aluminium, brass and other materials which were obtained from other industries in Lusaka and the Copperbelt.[104] There were drawings for certain spare parts which made their manufacturing easy and the equipment used was so adjustable that spare parts of different sizes, shapes and specifications could be made. Other machines in the workshop included a drilling machine which when need arose was used to make holes on some machine components which were required to be fixed on the broken-down machine in the repairing process. There was also a milling machine from which gears were made.[105]

2.3.12 Production, distribution and battery sales/marketing

2.3.12.1 Production

Despite the installation of the new machinery in December 1979, MBL registered low levels of production in the first quarter of the Financial Year 1980 (1st January-31st March), and continued on the same trajectory the whole year. Specifically, about 5 635 R20, 115 R14 and 12 R6 cells were produced on average per shift, against the targets of 16 500 for R20, 2100 for R14 and 600 for R6 in the first quarter. In 1981, a total of 6 980 799 units of batteries, consisting of 6 374 566 R20, 84 099 R14 and 162 134 R6 were produced.[106] From 1982 to 1989 output levels kept on fluctuating as indicated in table 1 on page 52.

[104] Interview, Chimfwembe.
[105] Interview, Chimfwembe.
[106] *Times of Zambia*, Friday 31st July, 1981. 14.

Table 1: Battery production (per year/quarter), 1982-1989

Annual/Quarter	Production
1982 Annual	9 741 000
1983 1st Quarter	12 402 123
1984 Annual	12 800 000
1985 1st & 2nd Quarters	6 892 000
1986 2nd quarter	3 000 000
1987 Annual	3 700 000
1988/89 Financial Year	7 823 000

Source: NAZ, ZIMCO, compiled from Mansa Batteries Limited, Minutes of Annual Board Meetings, 1982 -1989.

Fluctuations in production levels was due to several challenges encountered by MBL as analysed in the next chapter.

2.3.12.2 Attempts to replace/rehabilitate the R14 and R6 assembly machine lines

Full utilisation of machines for all battery types was among the recommendations made by a delegation from the Commonwealth Secretariat. It was hoped that MBL's performance would improve by manufacturing all types of batteries that would meet different needs of customers. Accordingly, immediately the R14 assembly machine manifested some problems in 1984, MBL applied for a loan amount of K350, 000 from DBZ to facilitate its rehabilitation. DBZ responded by sending a questionnaire to MBL regarding the operations of the latter, presumably to help the former in deciding on the request.[107] In April 1985, tenders were invited for the supply of the R14 assembly machinery. Initially, Nikolaus Branz of West Germany was awarded a tender. However, it was later on resolved that in order for an appropriate choice to be made, both Nikolaus Branz, and Alpha Industry of Japan should give a performance guarantee of one year for their products. The guarantee was meant to avoid purchasing the machinery that would drain MBL's resources through repairs, as was the case with the ones which were previously supplied

[107] NAZ, ZIMCO 1/2/ 418, LOC 8054, MBL, General Manager's to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.

by OY Airam. In July 1985, MBL received negative responses regarding a service guarantee from both suppliers.[108]

Meanwhile, despite both the R14 and R6 battery types having been known on the market and previously been used by the customers, the dynamic nature of the business environment gave rise to the need for the market study to justify continued investments in the projects. This was because in 1984 when both the R14 and R6 assembly machines developed faults, MBL focused on manufacturing the R20-heavy duty batteries which were the best in terms of strength and durability.[109] Production of heavy duty and another battery type called R40 began in 1984; utilising the same machine which was used in assembling the R20 transistor batteries. Hence the need to determine whether the R14 and R6 were still marketable after the other battery types had been introduced on the market.

The cost of the rehabilitation programme of the R6 line was estimated at K 8 000 000. The market study done by the INDECO- Technical and Projects Department in 1987 proved that the two products were on high demand, and thus, Management felt that purchasing one machine that would incorporate an interchangeable line to produce both the R14 and R6 batteries would be cheaper than purchasing two separate machines. Consequently, enquiries were floated to various manufactures in Europe and Japan for a package.[110] However, as MBL was awaiting feedback from the manufactures, an expert from United Nations Industrial Development Organisation (UNIDO) helped in repairing the R6 assembly machine, enabling it to produce 22 670 batteries in the second quarter of 1987. The fact that the machine had worked though for a short period before experiencing a breakdown diverted the Company's attention from the R14 machinery, to focus on the rehabilitation of the R6 machinery. However, despite the rehabilitation programme of the R6 line having reached an advanced stage in 1988,[111] the project was not implemented. Presumably, MBL was overwhelmed with different challenges discussed in the next chapter.

[108] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.
[109] Interview, Chimfwembe.
[110] NAZ, ZIMCO 1/2/ 495, LOC 8060, MBL, Minutes of the 57th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka on Friday 11th November, 1988, at 09:00 AM.
[111] NAZ, ZIMCO 1/2/470, LOC 8059, MBL, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August, 1987.

2.3.12.3 Distribution, battery sales, and marketing

The distribution of batteries was initially done by the ZNMWC, whose trucks were loaded with batteries in Mansa, and then distributed countrywide among state and private shops according to the orders which were placed. The ZNMWC had a warehouse in Mansa and Kabwe where the batteries ordered from MBL were temporarily stored before being distributed to different parts of the country. Hoozam Company Limited of Lusaka was another outlet that was used in the distribution of batteries.[112] The two companies helped MBL a great deal in meeting the demands of the clients especially those who were situated in the provinces which were located along the line of rail. From its inception, MBL recorded high sales of its products. This was because MBL monopolised local market as a result of the state protection the Company received. Importation of batteries was banned from the time MBL was opened up to 1991. Additionally, there were no alternative energy sources since a large part of the country was not connected to hydro-electricity.[113] From 1982 to 1989, nearly all the batteries which were produced in each particular quarter or year were sold within the same period as reflected in table 2.

Table 2: Annual/quarterly battery sales (in pieces) against production, 1982-1989

Year/Quarter	Production	Sales
1982 Annual	9 741 000	9 741 000
1983 Annual	12 402 123	12 332 613
1984 Annual	12 800 000	12 798 000
1985 1st & 2nd Quarters	6 892 000	6 887 000
1986 2nd quarter	3 000 000	1 200 000
1987 Annual	3 700 000	3 699 122
1988/89 Financial Year	7 823 000	7 822 800

Source: NAZ, ZIMCO, compiled from Mansa Batteries Limited, Minutes of Annual Board Meetings, and sales analyses, 1982-1989.

However, in 1986, MBL only managed to sell 1 200 000 batteries, out of the 3 000 000 batteries that were produced. This was because of the challenge encountered during the year under review as discussed in the next chapter. Despite the year 1985 recording high sales, customers were

[112] Interview, Chimfwembe.
[113] Interview, Chimfwembe.

unable to access batteries between January and February (1985) due to the ZNMWC's inability to collect and distribute them.[114] Given the context, Management was advised to open markets elsewhere, and a warehouse in Lusaka where small traders could access its products.

Having realised that MBL had no outlet on the Copperbelt, yet the province had countless wholesalers who were potential battery buyers, the Board and Management of MBL resolved to open a marketing office in Ndola. Consequently, MBL opened the Ndola Branch in 1985, and rented a shop next to Navinina Hotel along Vitanda Road, before relocating to another shop which was situated next to ZCBC, opposite Chapasuka shop, in Ndola town centre in 1986. This was where the branch was established. The relocation was influenced by the central location of the new shop since it was situated in a busier and central part of town than where the first shop was. Meanwhile, in 1986, MBL purchased a house situated opposite the front left corner of Kasenshi Secondary School wall fence, where Mr. Levy Suntwe, the Company's Purchasing Officer was accommodated after being transferred to the Copperberlt (Ndola office), as a ''Branch Manager''/Purchasing Officer.

The Ndola office became a distribution centre where wholesalers from the entire Copperbelt Province went to purchase Spark batteries and sold them at retail prices in their respective shops.[115] It also became a temporal depot where some of the imported raw materials and spare parts and local raw materials and packing materials purchased from the Copperbelt, Kabwe and Lusaka were kept before being loaded on the trucks returning to Mansa after offloading the batteries. The Ndola Branch also brought MBL closer to the services offered by the Bank of Zambia, Ndola Branch; clearing agents, and also solved issues of red tape as most Copperbelt based wholesalers began dealing directly with the Company rather than always waiting for agents such as the ZNWMC (who might have had other commitments). Recognising the critical role of the Ndola Branch in the development of the Company, in 1987 the IDAT visiting team recommended for the transfer of the Sales Manager from Mansa to Ndola. The team argued that it was irrational and pointless to maintain the position of the Sales Manager at the battery factory in Mansa, when the actual major sales were taking place in Ndola. Accordingly, Mr. Collins Kose Nyimbiri was transferred to Ndola in 1987, taking over from Mr. Levy Suntwe, who

[114] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.
[115] Interview, Celine Kaonga Nyimbiri, Mansa Basic School, Mansa, Friday 8th April, 2022.

returned to Mansa to serve in a different capacity. However, even though the Ndola Branch was vital to the Company's growth, the factors which led to its opening were a manifestation of the weaknesses inherent in locating big manufacturing industries in remote areas, and a validation of Tavera's assertion that 'industrial decentralisation would not occur in a vacuum. The success of the policy of industrial decentralisation would be dependent on localised adequate markets and boundless agglomeration of economies.'[116]

2.3.12.4 Expansion of the market

In order to provide goods to all Zambians in the shortest time possible regardless of their geographical location, MBL's Management decided to open small distribution centres in Northern, North western and Eastern Provinces in 1987, as a way of expanding the market and ultimately improving its cash position. This was achieved through working in collaboration with one or two of the few wholesalers who were situated in each of the provinces stated above. Such wholesalers worked as agents of MBL. In Northern Province, the House of Kasama became the main agent, while retailers in North Western Province accessed batteries from Solwezi General Dealers in Solwezi. Retailers in Eastern Province accessed the commodity from Guyatri Wholesalers.[117]

Similarly, Central Province was considered to be too big to depend on ZNWMC's Kabwe warehouse. In view of this, MBL began working in collaboration with Pandor Distributors who were based in Kapiri Mposhi. This meant that ZNMWC had to concentrate on satisfying the needs of Kabwe, Chibombo and Mumbwa residents while Pandor Distributors met the needs of Kapiri Mposhi, Mukushi and Serenje residents.[118] In Southern Province, P. C. Brothers in Choma entered into an agreement with MBL like any other distributors in other parts of the country. The distributors had outlets within their respective provinces where they also distributed and sold batteries quickly and easily. There were other wholesalers in Central, Southern and Eastern Provinces who also purchased batteries from MBL but the stated ones were more consistent,

[116] Tevera, 'Measures of industrial distribution in Zimbabwe,' Proceedings of the Geographical Association of Zimbabwe: Proceedings of 1984/85, 8.
[117] Interview, Chimfwembe.
[118] Interview, Chimfwembe.

hence, their engagement as agents. The agents were offered batteries at a slightly lower price than the one at which the ordinary wholesalers obtained the commodity.[119]

2.3.13 The Company's export drive

It was Management's desire to export batteries and natural Manganese Dioxide (MnO_2) in order to earn foreign exchange that could be used in the importation of machinery and raw materials for the development of the Company. Before the opening of the Ndola Branch which has been referred to above, Management suggested that MBL should start exporting heavy duty batteries to Zaire.[120] However, that was not feasible since MBL only produced enough batteries to meet the needs of the local market. To compensate for its failure to earn foreign exchange through export of batteries, MBL began looking for export markets for zinc callots, in addition to the search for external markets for natural MnO2 which was among its initial objectives. The selling of zinc callots was considered to be profitable given the easy way zinc bars were obtained. MBL was given a special consideration in the buying of zinc from Kabwe Mine owing to the fact that both the INDECO under which it fell and the said mining company were subsidiaries of ZIMCO. At the batteries' factory, zinc bars were melted and rolled into sheets from which small cans/callots were made. Excess zinc callots were exported when the programme commenced in 1985.[121]

Having widely advertised its natural MnO_2 and zinc callots internationally; in early 1982, MBL received the first response in the last quarter of the year from Kariba Battery Factory Limited (KBF Ltd) of Gweru, Zimbabwe, which requested for the samples of both commodities. By January 1983, samples had been tested and the quality of both products was accepted. However, KBF Ltd reluctantly accepted quotations from MBL considering the price of the commodities in view of high transport costs.[122] Consequently, downward adjustments were made on the prices following discussions between officials from the two companies at the Bulawayo Trade Fair

[119] Interview, Chimfwembe.
[120] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.
[121] Interview, Chimfwembe.
[122] NAZ, ZIMCO,1/2/406, MBL, Minutes of the 32nd Meeting of the Board of Directors held in the Company's Board Room, Mansa, on 1st March 1983.

towards the end of 1983, where it was resolved that the Zimbabwean Company would be using its own transport to collect the commodities.[123]

Shortly after sending the samples to KBF Ltd, a sample of natural MnO_2 was sent to a Tanzanian subsidiary of Matsushita Electric Company (MEC) of Japan in Dar Es Salaam, Tanzania, where tests indicated that the quality was very good. By May 1984, preparations were underway to commence a monthly export of 200 metric tonnes (MT) of the commodity. MBL's Marketing Department also revealed that Nzeru Radio Company Limited (NRC Ltd) of Blantyre, Malawi, had also applied for an import licence of zinc callots, while Sanyu International Limited (SI Ltd) of Kisumu, Kenya, processed an order for the same commodities in January 1984.[124]

There was need to produce zinc callots in large quantities in order to remain a consistent supplier/exporter of the commodity. Similarly, large quantities of manganese needed to be crushed to meet both MBL's, and the international demand for the commodity. This was partly dependent on the smooth running of the Kabasa Manganese Mine in Chisunka Chiefdom, and partly dependent on the efficiency of the zinc furnace, and manganese crushing plant at the battery factory. With regards to the zinc furnace, its performance could be enhanced by working on the defective lining.[125]

In 1982, a defect was observed on the furnace lining and an expert from Didier, France, estimated that failure to work on it by October 1983 would result in the damage of the furnace. To that effect, an amount of K15 000 for rehabilitation of the furnace lining was included in the budget for the last quarter of 1983. However, the component was not ordered from one of the overseas suppliers in time. By the time the order was placed in February 1984, the cost had risen to K24 000. This was due to an upward adjustment in the price and the customs duty. [126] MBL's Board had no option but to approve the expenditure of the new amount.

Having imported the material in April 1984, MBL contracted Kitwe Refractories Limited to repair the furnace. After repairing it, the contractor recommended that preventive maintenance

[123] NAZ, ZIMCO 1/2/418, LOC 8054, MBL General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.
[124] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, Minutes of the 37th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 28th February, 1984.
[125] Interview, Chimfwembe.
[126] NAZ, ZIMCO 1/2/418, LOC 8054, MBL General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.

should be carried out every six months or annually depending on the usage, and that Kitwe Refractories should only be contacted when there was a problem with the furnace. In a similar manner, between April and May 1984, the Manganese crushing plant was inspected and overhauled in readiness for milling manganese for export. During the overhauling process, the air classifier which was worn out was also replaced, and a new blade fabricated resulting in an increased output of 3.8 MT, from the previous 2.2 MT per 8 hour shift.[127] By January 1985, over 1000 MT of manganese had been crushed.

Exportation of raw materials commenced in the first quarter of 1985.Table 3 highlights the income realised from the exported quantities of natural MnO2 and zinc callots.

Table 3: Exports of zinc callots and MnO2 (in Metric Tonnes-MT) from 1985 to 1989

Year	Export Commodity (in Metric Tonnes)	Importer	Earnings In US$	Equivalent in ZMK
1985	85 Zinc callots 720 MnO_2	KBF Ltd MEC	89 686 116 716 Total 206 402	210 762 274 283 Total 485 045
1986	40 Zinc callots	KBF Ltd	21 786	305 000
1987	106 Zinc callots 345 MnO_2	KBF Ltd MEC	129 473 65 258 Total 194 731	1 247 000 600 000 Total 1 847 000
1988	197 Zinc callots 516 MnO_2	KBF Ltd NRC Ltd &MEC	For both Zinc callots and MnO_2	2 898 000

[127] NAZ, ZIMCO 1/2/418, LOC 8054, MBL General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.

			= 372 263	
1989	222 Zinc callots	Radiator & Tinning and KBF Ltd	379 962	3 799 620
	412 MnO_2	MEC	119 048	1 194 800
			Total 499 010	Total 4 994 420

Source: NAZ, ZIMCO, compiled from Mansa Batteries Limited sales analysis tables, 1982-1989.

As indicated in the table above, the exportation of zinc callots and MnO2 began in 1985. In total, 85 MT of zinc callots and 720 MT of MnO2 were exported; resulting in the cumulative export earnings of US$ 206 404 (K485 045), at the end of the second quarter. However, due to some challenges discussed in the next chapter, no exports were executed in the last two quarters of the year, and only 40 MT of zinc callots worth US$ 21 786 (K 305 000) were supplied to KBF Ltd in the last quarter of 1986. The amount of Kwacha raised from the sale of US$ 21 786 in 1986 was higher than the one realised from the sale of US$ 89 573 in 1985. This was due to excessive depreciation of the local currency against the US dollars experienced in 1986. [128]

In 1988, MBL was contracted by the government of North Yemen to commence a quarterly supply of 3000 MT of natural MnO_2 and 3000 MT of zinc callots. The orders were the largest in the Company's history, although no attempt was made at exporting the commodities in question due to reasons highlighted in the next chapter. MBL however, continued supplying the commodities to KBF Ltd and MEC. While the highest amount of export earnings from natural MnO_2 were recorded in 1985, the largest quantity of zinc callots exports which resulted, by far in the highest earnings from the stated commodity were recorded in 1989. This was after delivery of 55 MT was made to Radiator and Timings Company of Bulawayo, Zimbabwe, in February, followed by the supply of 25 MT, 30 MT and another 30 MT to KBF Ltd in January, February and March respectively, and again the delivery of 82 MT to KBF in September. [129] In view of the foregoing export sales analysis, it can be stated that the beginning of trade in MnO_2 and zinc

[128] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Sales Analysis for the Financial Year 1987.
[129] NAZ, ZIMCO 1/2/495, LOC 8060, MBL, Sales Analysis for the quarter ended 31 /03/1989.

callots was a milestone in the Company's development. Diversification was another way through which Management at MBL attempted to develop the Company.

2.3.14 Diversification through the opening of a Guest House to the general public

As noted earlier, a Guest House (Spark Guest House) was built along Chitimukulu Road in the low-density residential area of Mansa Township. The facility was intended to cater for accommodation needs of the INDECO Central Officials whenever they visited Mansa.[130] Additionally, newly recruited officers from distant places within Luapula, other parts of Zambia and the world were offered temporal accommodation at the lodge before houses were allocated to them. Since INDECO officials only made occasional visits to Luapala, and the recruited officers' stay at the lodge was temporal, Management decided to utilise the facility in raising Company funds by opening it to the general public and only reserved some rooms for the above stated officers and officials. Accordingly, a Guest House was opened to the public in 1980. Apart from accommodation charges, money was also raised from the sales of beer and meals from the bar and restaurant facilities which were located within the Guest House premises. In 1982, accommodation charges were revised upwards with a view to earning an annual gross income of K50 000.[131]

A survey of operations at the Guest House from the time accommodation charges were revised in 1982, revealed the profitability of the business. For example, a total amount of K11 752 was realised as profit for the quarter that ended on 30th June 1985. Similarly, in the year 1987, Guest House operations generated a cumulative net profit of K145 000 for the Company, against the projected profit of K80,000 for the period of 12 months (1 year). [132] Available evidence showed that the goods and services which were offered at the facility were able to generate enough funds to even carter for the salaries of Company employees who were attached to the Guest House, as reflected in table 4 on page 62.

[130] NAZ, ZIMCO 1/3/42, LOC 7005, MBL, Report on Accounts for 9 Months ended 31st December 1982.
[131] NAZ, ZIMCO 1/3/42, LOC 7005, MBL, Report on Accounts for Nine (9) Months ended 31st December 1982.
[132] NAZ, ZIMCO 1/02/482, LOC 8060, MBL, Report for the Quarter ended on 30th December, 1987, Guest House operating results.

Table 4: Spark Guest House's income and expenditure for the year 1988

	Quarter Ended 31st December 1988		From January to December 1988	
	Actual	**Budget**	**Actual**	**Budget**
Income				
Accomodation	K148 000	K105 000	K395 000	K315 000
Meals	K175 000	K75 000	K411 000	K225 000
Beer	K367 000	K161 000	K910 000	K482 000
Soft Drinks	K28 000	K13 000	K65 000	K40 000
Miscellaneous	K20 000	K9 000	K48 000	K27 000
Total	**K738 000**	**K363 000**	**K1 829 000**	**K1 089 000**
Expenses				
Meals	K189 000	K68 000	K417 000	K203 000
Beer	K297 000	K129 000	K754 000	K386 000
Soft Drinks	K24 000	K11 000	K52 000	K33 000
Salaries	K47 000	K37 000	K137 000	K112 000
Electricity	K5 000	K6 000	K16 000	K17 000
Telephone	K4 000	K3 000	K10 000	K9 000
Depreciation	K14 000	K7 000	K28 000	K22 000
Sundries	K43 000	K25 000	K137 000	K76 000
Total	**K 623 000**	**K286 000**	**K1 551 000**	**K 858 000**
Profit	K 115 000	K 77 000	K 278 000	K 231 000

From the table above, it can be seen that in the year 1988, MBL experienced a rise in net profit. The meals and beer sales at the Guest House were largely responsible for the rise in net profit. This meant that MBL could use profits to either purchase some spare parts and raw materials in small quantities or for any other developmental projects.[133] Therefore, the Guest House complimented the dry cells factory in generating the Company's income.

2.3.15 Company's performance, 1990-1994

By 1991, the R20 cell assembly machine which was installed in December 1979 had become so inefficient that it could only produce a minimal number of batteries which failed to meet the clients'-demands. However, MBL's customers did not experience any supply delays as the number of dry cell suppliers on the market had increased. This was a result of trade liberalisation which was extended to all the commodities in 1991. In 1992, Management decided to purchase a new cell assembly machine as a way of salvaging the Company. The decision was implemented

[133] Interview, Chimfwembe.

in January 1993 when a new machine with a minimum rated production capacity of 42 000 000 units per year for a single shift, at a hundred percent efficiency was purchased from Cramic Engineers Limited of England. Theoretically, this meant increased production since the old machine could only produce 33 600 000 battery units per year for a double shift when it was installed, a figure that was never attained. However, practically, the new machine proved to be more problematic than the old one. In view of this, MBL demanded that the supplier should carry out repair works in order to bring the new machinery to acceptable operational levels.[134] As the new machine awaited repairing, resetting and re-commissioning, no production of batteries was carried out on it. Thus, for the quarter that ended on 31st March 1993, only 1 416 000 units of R20 batteries valued at K114 670 were produced on the old machine, against 4 200 000 units valued at K349 440 000 that were projected. Due to poor and low production and the consequent low sales of 1 416 000 batteries, MBL incurred a net loss of K81 361 000. [135]

Having arrived in the country on 6th April 1993; engineers from Cramic Engineering commenced work at the factory on 8th April 1993, and wound up 20 days later. They conducted test runs on the machinery in May. Nevertheless, the machine could still not be utilised in June due to the non- availability of safety screws. Therefore, like in the previous quarter, no batteries were produced by the new machine. Consequently, MBL recorded a very low production output of only 1 281 000 units of dry cells. On account of low production and low sales of 1 082 000 batteries valued at K117 830 000, MBL incurred a loss of K93 294 000.[136] Despite recording a substantial quantity of orders at the beginning of the second quarter of 1993, they could not be executed due to low production levels, slow turn-around of the trucks and cancellation of orders, coupled with reduction of order quantities resulting from a price increment effected in May 1993.

Continuous liquidity crises became a by-product of the difficulties experienced by MBL in the first two quarters of 1993. Consequently, in June 1993, a lot of frantic efforts were made to avoid total production closure. These included the ordering of raw materials which were out of stock.

[134] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, General Manager's Report to the 75th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka on Tuesday 26th August, 1993, at 09: 00 AM.
[135] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Minutes of the 74th Board Meeting held in the Conference Room, INDECO House, Lusaka, on 27th May, 1993 at 09:00 AM.
[136] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, General Manager's Report to the 75th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 26th August, 1993.

Thus, 2 MT of paper separator and 1600 000 pieces of the required 5 040 000 pieces of Spark labels were airlifted from England. Additionally, 21 MT of zinc sable 1, 20 MT of Ammonium Chloride, 20 MT of Zinc Chloride and 43 MT of Electrolytic Manganese Dioxide were supplied on credit by suppliers from South Africa. The raw materials ordered on credit were worth US$19 952 1 or K133 727. Payments for these raw materials were due by 15th June 1993. More efforts were made to obtain most of the components such as 4 000 000 plastic flexible closures, 8 000 000 top and bottom covers, 3 700 000 pieces of Spark labels and 3 300 000 carbon rods; all valued at US$31 613 5 or K18 0196 95 on credit from South Africa rather than buying them from the usual suppliers in England and Japan. Furthermore, US$231 582 94 or K132 000 000 was required to purchase two spare parts namely; the roller mill and extruder for the battery manufacturing machine. [137] Thus, MBL needed a total amount of US$ 431 103 or K246 000 000 to purchase critical raw materials, components and spare parts, and to pay off suppliers for materials already received.

Additionally, MBL needed K59 000 000 for import duty to clear raw materials which included 20 MT of Zinc Chloride, 25 MT of Zinc Sable 115.7 MT of super‘s’ black, 20 MT of Ammonium Chloride, 64.5 MT of Electrolytic Manganese Dioxide, 1 MT of zinc sheets, 280 000 metres of shrink tubes and 5 MT of acetylene black which had been moved into a bonded warehouse.[138] It was hoped that once large quantities of raw materials were acquired within the second quarter of the 1993/94 Financial Year, they would sustain the Company’s production at budgeted output levels of 1 300 000 units of batteries per month, effective 1st September 1993. This would also enable it to build up on its raw material stocks and improve on the cash flow and working capital. Thus, it became inevitable for MBL to apply for a loan amounting to K305 000 000 from the Zambia National Commercial Bank (ZANACO), to fund the purchase of critical raw materials, components, spare parts; pay off suppliers for materials received on credit and clear raw materials which had been moved into a bonded warehouse. The bank required to know the shareholder’s view since MBL had already borrowed K300 000 000 from the same bank which had not been paid back.[139] By then, MBL was no longer a subsidiary of INDECO but Zambia Industrial and Mining Corporation (ZIMCO) Limited, following INDECO’s transfer of 2

[137] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Departmental Reports, Purchasing for the quarter ended 30th June, 1993.
[138] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Financial Report for the quarter ended 30th June, 1993.
[139] NAZ, ZIMCO 1/ 4/145, LOC 7029, MBL, Financial Report for the quarter ended 30th June, 1993.

399 999 shares which it held in MBL to ZIMCO on 31st March 1993.[140] Thus, MBL sought a recommendation from ZIMCO Limited.

However, a loan which was acquired between July and September 1993, did very little to improve MBL's cash flow and working capital owing to the multiplicity of needy areas. For instance, operations in the month of July 1993 were characterised by frequent breakdowns of the PL machine and lack of continuous smooth working of the new cell assembly machine whose maintenance required money. Additionally, K 2 300 000 was diverted towards the repairing of the General Manager's personal to holder vehicle, that was involved in a road traffic accident on the Pedicle Road. Furthermore, the approval of a loan at a date later than the set due date for paying for goods received on credit meant that the payment of credit attracted interest which resulted in a budget deficit, and therefore some raw materials and components could not be purchased as budgeted or planned. Consequently, in August and September, there were restrictions in production due to limited stock of carbon rods, plastic flexible closures, top as well as bottom covers. By the first quarter of 1994, there were no operations at the factory once the raw materials ran out of stock. MBL had no choice but to apply to ZANACO for another loan in order to revamp operations. By April 1994, the bank had not yet approved a loan.[141] Even though available Company records did not indicate the loan amount obtained from the bank, between September and October 1994, MBL obtained more funds from ZANACO which resulted in the bank being owed a total of K1 200 000 000 by November 1994.

From the preceding discussion, it is clear that MBL had difficulties in generating enough income to sustain its operations and let alone pay workers' salaries. In the early 1990s, exports of natural MnO2 had drastically reduced, and zinc whose callots were profitably exported was no longer cheaply obtained from Kabwe but rather gotten at a much higher cost from South Africa. This was because MBL stopped ordering zinc four years before the official closure of Kabwe Mine in 1994. The raw material became less ideal for use in battery manufacturing, following the discovery of impurities in it.[142] Thus, MBL's revenue base became narrower than its expenditure. It should also be pointed out that the local market for MBL's products was depressed. MBL was

[140] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Minutes of the 74th Board Meeting Held in the Conference Room, INDECO House, Lusaka, 27th May 1993.
[141] NAZ, ZIMCO 1/4/145, LOC 7029, MBL, Financial Report for the quarter ended 30th June, 1993.
[142] Interview, Mumba, Muchika.

no longer the sole supplier of batteries under liberalised market conditions. In September 1994, the factory was shut down on account of lack of funds to purchase raw materials. In order to rescue the Company and protect people's jobs, Management discussed with ZIMCO Limited the possibility of refinancing it. ZIMCO agreed to source for working capital as a way of revamping the subsidiary's operations. The process of acquiring additional capital was set in motion when privatisation of state enterprises by the new Movement for Multi-Party Democracy (MMD) government was underway. MBL was scheduled for privatisation in the last quarter of 1994. However, before the ZPA could initiate the process, MBL was placed under receivership by the DBZ on 14th November 1994 for non-repayment of a loan amounting to K112 600 000. [143]

2.4 Conclusion

The chapter has established that the status of Mansa as a Provincial Capital of Luapula, and the availability of manganese in the area were the major reasons for the setting up of the dry cell manufacturing industry in the district. It was government's desire to establish the industry in Mansa in order to develop the area. It has been demonstrated however, that during the period of its operation, MBL was characterised by low productivity mainly due to faulty machinery.

The chapter has also demonstrated that no sooner had Management realised how crucial education was to the development of MBL than it adopted a Manpower Development and Planning Programme by which some employees acquired knowledge and skills through training. The chapter has also shown that MBL was not an island but collaborated with international agencies whose expert advice however, failed to improve its operations.

Additionally, the chapter has shown how MBL's attempts to replace imported raw materials, components and spare parts failed to a great extent. Despite the substitution of Karaya gum with cassava flour, and the manufacturing of some machinery spare parts locally, MBL continued to rely heavily on imported inputs. The situation became worse when impurities discovered in the zinc which was locally acquired from Kabwe compelled the Company to start importation of the said raw material from South Africa.

[143] Zambia Hansard, Tuesday 9th March, 2010, *Daily Parliamentary Debates for the Fourth Session of the Tenth National Assembly*, https://www.parliament.gov.zm.

The chapter has also demonstrated that MBL decided to open a sales branch in Ndola for reasons of convenience. Among the reasons was the need to be closer to the market, to have easy access to the Bank of Zambia, Ndola Branch, from where foreign exchange was purchased as well as to have easy access to the services offered by clearing agents. The branch also served as a depot for raw materials purchased from Ndola, Lusaka and overseas. The chapter further noted that MBL used the strategy of collaborating with agents in order to easily sell its products almost in all the provinces of Zambia.

Lastly, the chapter has demonstrated that the number of batteries which were produced kept on fluctuating up to the year 1989. In the early 1990s, both production and sales went down due to the poor state of the machinery and importation of cheaper batteries by other companies.

CHAPTER THREE

CHALLENGES ENCOUNTERED BY MANSA BATTERIES LIMITED, 1978-1994

3.1 Introduction

A critical and thorough examination of the challenges encountered by MBL is the focus of this chapter. It argues that operational challenges, political interference, and socio-economic problems adversely affected the development and performance of the Company. Operational challenges included long distance to the market, unavailability of raw materials, and machine breakdowns.

MBL also faced administrative challenges such as the General Manager's demand to have his residential house constructed in an area away from Spark compound; the official residential area, short tenure of office for General Managers, and preferential treatment of some officers.

The chapter also demonstrates that economic problems such as payment of exorbitant Management Fees to the INDECO, devaluation of the Kwacha, loan repayment obligations and poor performance of the country's economy contributed to the poor performance of MBL. Lastly, the chapter revealed that before the plan to privatise the Company was implemented, a combination of problems resulted in poor liquidity position of MBL.

Operational, administrative, political, and socio-economic challenges encountered by Mansa Batteries Limited, 1978-1994

3.2 Operational challenges

3.2.1 Capacity underutilisation

MBL encountered a number of operational challenges. Some of the problems began immediately the Company was officially opened in April 1978 and perpetually haunted it till its closure in 1994, while others emerged during its developmental stage. Low plant or capacity utilisation was among the major operational challenges. Leonard Mbira pointed out that capacity utilisation is an important ingredient in the growth of any industry. Unutilised capacity represents an opportunity

cost in the lost production.[1] Capacity utilisation at the battery factory from 1978 to 1983 never exceeded 29 percent.[2] Although the installed capacity of the machinery at the time of commissioning in December 1979 was 33 600 000 R20 batteries per year for a double shift,[3] MBL never produced beyond 13 000 000 batteries from the time it was opened until its closure in 1994. Thus, low production output became one of the chief reasons for its failure to attain the objective of exporting batteries. Concerned with the low output levels of the battery factory in 1979, the General Manager pointed out that 'given the right quantity of production, MBL would be one of the most profit-making companies of INDECO. However, at the rate of present production capacity of 8 000 batteries per day, which is by far less than the expected 85 000 batteries, the enterprise cannot make profit'.[4] Similarly, Balm stated that 'low production reduced profits and resulted in tight liquidity of the company to meet its short term needed funds.[5] As earlier indicated, the factory continued to record low output levels. For example, in the 1987 Financial Year, MBL incurred a cumulative loss of K1 877 000, attributable to low production by which only 3 700 000 units of R20 batteries were produced against the target of 12 000 000 batteries. In 1987, the capacity or expected output of the R20 cell assembly machine was 13 000 000 batteries per year for a single shift. [6] Therefore, the utilised capacity was 28 percent. However, capacity underutilisation was a by-product of numerous operational challenges. Prominent among them were:

3.2.2 Machine breakdowns

One of the major operational challenges which adversely affected the productive potential of MBL was the problem of faulty machinery. Soon after the factory became operational, the machinery could not continuously run for over a month without experiencing a breakdown.[7] MBL suffered years of machine breakdown till its closure. Worn out and broken components, mechanical and technical faults were the main causes of machine breakdown. Although some

[1] Leonard Mbira, 'The De-industrtrialisation of Bulawayo Manufacturing Sector in Zimbabwe: Is the Capital Vacuum to Blame?', *International Journal of Economics, Commerce and Management*, Volume 3, Issue 3 (2015), 8.
[2] Karmiloff, 'Industrialisation in Sub- Saharan Africa; Country Case Study—Zambia', 39.
[3] *Zambia Daily Mail*, 22nd January, 1979, 4, NAZ, ZIMCO 1/2/334, LOC 8040,142nd Secret, 1979-1980, 092.
[4] Cited in Lungu, 'Mansa Battery Factory', 24.
[5] Balm, 'Import Substitution Industrialisation: A Case Study of Zambia', 42.
[6] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Minutes of the 52nd Meeting of the Board of Directors held in the Conference Room, Mansa, 26th November, 1987.
[7] *Times of Zambia*, Sunday 4th March, 1979, 7.

spare parts were easily manufactured in the Company's workshop, while others were purchased locally, certain spare parts could only be obtained from overseas, mainly from the suppliers of the machinery. It was difficult to predict whether the spare parts that would be required in case of a breakdown could be obtained locally or abroad for them to be purchased in advance. In a situation where the machine suddenly experienced a breakdown, and the damaged spare part or component needed to be imported, operations had to be temporarily halted. The INDECO annual report for 1982 stated that, having faced mechanical problems, MBL lost 107 production days.[8] Karmilloff also noted that downtime averaged 16 000 man-hours per annum in the period 1981/82 and 1984/85 due to machine breakdowns and shortage of various inputs.[9] As the years went by, it became increasingly difficult to obtain certain spare parts since some companies which supplied some machinery to MBL had either closed down their businesses or stopped manufacturing the same type of machinery which in turn resulted in the phasing out of some spare parts.[10]

A permanent solution to the faulty machinery was not feasible for a number of reasons. To begin with, and as already noted, the technology behind the machinery was not developed in Zambia. The industry entirely depended on foreign technology. INDECO which was responsible for industrial development did not produce capital goods which were necessary to achieve its ultimate objective.[11] This meant that any modifications on the machinery in order to enhance its productivity could only be made by the people who were behind the invention. Besides, sustainable maintenance of the machinery became difficult because MBL lacked adequate specialised skilled manpower especially in the early years of its existence. Ewing noted that, Science and technology and the application thereof, education and energy were among the prerequisites of sustainable industrialisation.[12] However, unlike in England and other industrialised countries where scientific innovations were the basis for industrialisation, the evolution of MBL and other industries in Zambia was not stimulated by developments in science and technology within Zambia. The education sector was one of the least developed in Colonial Zambia. ''At independence, the nation had 100 university graduates only; all of them educated

[8] INDECO, *Annual report and accounts for the year ended 31st March 1982, 13.*
[9] Karmiloff, 'Industrialisation in Sub- Saharan Africa; Country Case Study—Zambia', 39.
[10] Interview, Paul Kabaso, Spark Area 18, Mansa, Tuesday 28th July, 2022.
[11] Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', 47.
[12] Ewing, *Industry in Africa*, 128.

outside the country and very few of them had pursued science related courses.''[13] Even after the University of Zambia was opened in 1966, it continued to produce more social than natural science graduates largely due to the relatively small number of senior secondary school leavers who met the science admission criterion.[14]

Inadequate qualified skilled manpower was worsened by the remote location of the industry. In its early years, MBL was shunned by some specialised skilled personnel due to its remote location compared to the industries which were developed in urban areas. The attitude of qualified people preferring urban areas to rural areas was reinforced by the uniform conditions of service and salaries prescribed by the Salaries Commission for workers in rural and urban areas.[15] The problem of inadequate skilled manpower was reflected in the Minutes of the 32nd Meeting of the Board of Directors for MBL, dated 11th November 1983, which read in part that:

> Efforts to recruit qualified and skilled personnel had failed because of the remote location of Mansa. A decision of the INDECO Board was awaited in relation to the allocation of special allowance to compensate for the rural location.[16]

However, as Balm noted, the scarcity of skilled manpower was not only a rural problem but was also experienced by industries which were set up in urban areas. For instance, inadequate skilled manpower, caused production stoppages at Nitrogen Chemicals of Zambia (NCZ) in 1984/85.[17] Balm's observation was a confirmation that the industrialisation agenda was pursued at a time when the country was still facing the challenge of inadequate skilled manpower.

Despite the introduction of a Staff Development Programme in 1982, MBL still failed to develop adequate specialised skilled manpower to maintain the smooth running of the factory owing to the complex nature of the battery manufacturing process. The Company's unsuccessful attempts to locally recruit a mechanical engineer in 1987, was a manifestation of inadequate skilled labour force. Having advertised the position in Zambia with no responses received, Management was advised to contact the Zambian Embassy in London, England, in order to advertise the position.

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[13] A. P.P. Waw, *Implementing education policies in Zambia* (Washington DC: Publications Sales Unit, 1990), 2.
[14] Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', 132.
[15] JASPA EMPLOYMENT ADVISORY MISSION, *Narrowing the Gaps: Planning for Basic Needs Productive Employment in Zambia* (Addis Ababa: International Labour Office, 1977), 80.
[16] NAZ, ZIMCO 1/2/406, LOC 8053, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November 1983.
[17] Balm, 'Import Substitution Industrialisation: A Case Study of Zambia', 74.

Similarly, when a new compressor for the air conditioning storage facility was purchased, Drake and Gorham contractors who were based in Ndola were engaged to install it because MBL did not have any qualified personnel to do so.[18]

Additionally, MBL had too many different types of imported machines that it became difficult to recruit adequate skilled manpower to properly repair and service them. The battery manufacturing process involved different types of machinery performing specific functions. The process started with the use of ancillary equipment such as the manganese crushing machine and the zinc can machine. In the manufacturing process, different types of machines such as paper lining machine, cell assembly, black mixer, PL and body maker machines were used.[19] Repairing various types of machinery required specialisation and expertise, and it was not easy for MBL to attract all the required specialised skilled personnel to work on different types of machines. Mostly, when one machine or section experienced a major breakdown, the whole system got paralysed since the machines worked interdependently.[20]

3.2.3 Shortage of raw materials

The perennial shortage of raw materials and components was one of the major factors which contributed to the low-capacity utilisation and poor performance of MBL. Insufficient raw materials accounted for its failure to introduce a double shift operation in 1982,[21] and thus, the problem inhibited the Company's productive abilities. Addressing the Board of Directors on 29th May 1984, the General Manager observed that, the raw material position continued to be the main problem disrupting production. It became worse in the first quarter of the year resulting in a loss of K80,000.[22]

In 1987, raw material stock outs affected production throughout the year, to an extent that in April, the Company sent its employees on forced leave without pay.[23] Production resumed on 21st June after receiving the required raw materials, but another shortage of different types of raw

[18] NAZ, ZIMCO 1/2/495, MBL, Plant and machinery report for the Quarter ended on 31st December 1988.
[19] Hand book for R20 and R14 battery assembly machines (1976), 10.
[20] Interview, Chimfwembe, Spark Area 18, Mansa, Wednesday 13th April, 2022.
[21] NAZ, ZIMCO 1/2/406, LOC 8053, Minutes of the 32nd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November 1983.
[22] NAZ, ZIMCO 1/2/418, LOC 8054, MBL, General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.
[23] NAZ, ZIMCO 1/2/470, LOC 8059, Minutes of the Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August 1987.

materials and components was experienced in September. This was after production had already been lowered by the stock out of Ammonium Chloride in the month of August. In the last quarter of 1987, late arrival of electrolytic paper and bottom plates, interrupted production between November and December 1987. Consequently, only 1,839 000 units of batteries had been produced by January 1988, leading to a net production of 3,700 000 against the target of 12 000 000 batteries, for the 1987 Financial Year.[24] The situation was exacerbated by the fact that deliveries of raw materials by some local suppliers had also become erratic.

Principally, the raw materials and components were mainly imported from countries such as Britain, India, Japan and South Africa. Hanson asserted that proximity to raw materials, especially where they were bulky and formed a high proportion of the total cost of producing the commodity was one of the factors that determined the location of industries.[25] However, contrary to his assertion, the feasibility studies which were undertaken prior to the setting up of MBL downplayed the raw material threshold required for the establishment of a viable industry.[26] However, 'there were countries such as Japan and Netherland, among others, which were successful in industrialisation without the benefit of a vast domestic raw material base.'[27] This was because lack of vast natural resource endowment in these countries was compensated for by technological developments, which was not the case for MBL.[28]

Available evidence showed that only a handful of raw materials namely; natural manganese, bitumen, cassava (as a substitute for Karaya gum)[29], zinc, Kraft paper and cadmium were obtained locally. Even by number and quantity, the battery was made up of mainly imported raw materials. Foreign raw materials and components included paper separators and absorbent Kraft papers, synthetic manganese, Ammonium Chloride, Zinc Chloride, carbon rods, PE chip boards, flexible closure caps, adhesive for tubes, adhesive for labels, tube winding lubricant, HD sheets,

[24] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, General Manager's Report to the 53rd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 19th February, 1988.
[25] Hanson, *Economic Aspects of Industry and Commerce*, 83.
[26] Simwinga, 'Corporate autonomy and government control of State enterprises', 137.
[27] Saraly Andrade and Joaquin Morales, 'The Role of Natural Resource Curse in Preventing in Politically Unstable Countries: Case Studies of Angola and Bolivia', Development Research Working Paper Series, Institute for Advanced Development Studies, No 11/2007.
[28] Interview, Thomas Ponga, Makeni, Lusaka, Thursday 1st December, 2022.
[29] Interview, Mumba.

bottom covers, integrated top covers and shrink tubes, among others.[30] It was as if the importation of batteries was substituted for the importation of raw materials. The situation was exacerbated by the discovery of impurities in 1990, in the locally sourced zinc, which resulted in the importation of the said raw material from South Africa as already indicated in the preceding chapter. Even what might have been deemed as simple components like Spark labels were also imported all the way from Japan, and sometimes from South Africa. Since the larger part of raw materials came from abroad, acquiring them was a challenge, and that ultimately impacted negatively on the Company's performance. Nyamazama noted that 'the sources of inputs and capital goods seemed to greatly influence the rates of capacity utilisation among the subsidiaries of the INDECO. Only companies like Zambia Sugar and Chilanga Cement which obtained most of their inputs locally operated at almost full capacity.'[31] However, the availability or non-availability of foreign raw materials at the factory was dependent on the following variables;

(a) Foreign exchange availability

Foreign exchange played a critical role in ensuring the smooth flow of foreign raw materials, battery components, machinery and spare parts. Thus, its scarcity disrupted the flow of these items, which in turn negatively affected the production of batteries. Stressing the importance of foreign exchange to the smooth running of MBL, the Chairperson of MBL's Board of Directors observed that:

> An application for foreign exchange to the Bank of Zambia should be resubmitted as the amount equivalent to K21 000 allocated to MBL in October 1982, was totally inadequate. In the absence of foreign exchange, operations might grind to a halt.[32]

The Chairperson's sentiment was echoed by Karmiloff's observation that shortage of foreign exchange to purchase adequate supplies of raw materials and spare parts contributed to the disruption of the plant's operation.[33] Shortage of foreign exchange haunted MBL for many years. At no point did the Bank of Zambia allocate to it the full amount of foreign exchange applied for.

[30] NAZ, ZIMCO 1/2/470, LOC 8059, MBL, Report for the Quarter ended on 30th September 1987, imported materials forecast.
[31] Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', 49.
[32] NAZ, ZIMCO 1/2/406, LOC 8053, Minutes of the 33rd Meeting of the Board of Directors held in MBL Board Room, Mansa, 26th November 1983.
[33] Karmilloff, 'Industrialisation in Sub-Saharan African: A Case Study of Zambia', 49.

Allocations to the firm covered on average, only one quarter of its requirements.[34] This was because copper as it was before independence, continued to be the country's major foreign exchange earner. According to Balm, import substitution industries never encouraged export diversification.[35] Balm's observation was amplified by Nyamazama's argument that INDECO generated very little foreign exchange by way of exports. From 1983 to 1986, it generated between US$ 7 000 000 and US$ 18 000 000 through exports, but needed between US$100 000 000 and US$1 000 114 000 during the same period to import raw materials and machinery.[36] Mudenda pointed out that the manufacturing sector produced very limited exports. Mostly, exports consisted of cement, sugar molasses, copper cables, lime and explosives which accounted for only 0.7 percent of total exports in 1980.[37] Thus, INDECO continued to rely on ZCCM as a major foreign exchange earner. This meant that all import-oriented companies like Luangwa Bicycle Assemblies and Livingstone Motor Assemblies, among others, relied on the same source. However, the Central Bank could not satisfactorily meet the demands for foreign exchange due to a drastic reduction of foreign exchange earnings from copper, following the low demand for the commodity on the international market as highlighted in the previous chapter, and as discussed in one of the successive sections.

Foreign exchange earnings from MnO_2 and zinc callot exports were not enough to purchase the raw materials and other requirements. For example, in the second quarter of 1987 MBL raised US$ 31, 136 through export sales of Zinc callots to KBF Ltd which was too inadequate to purchase and import the required inputs valued at more than US$ 2, 600, 000.[38] The situation was further complicated by the fact that foreign exchange earnings were not credited to its bank account by the buyers of zinc callots and MnO2, but went in the Bank of Zambia 'national basket' in accordance with the law which governed monetary policies at that time.[39] Thus, MBL could only apply for its retention, which did not warrant an automatic allocation of the total amount applied for, as it was the Central Bank's discretion to disburse funds either in dollars or

[34] Karmilloff, 'Industrialisation in Sub-Saharan African: A Case Study of Zambia', 38.
[35] Bam, 'Import Substitution Industrialisation: A Case Study of Zambia', 80.
[36] Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', 47.
[37] Mudenda, 'Trade and Industrialisation Policies Experienced in Zambia',15
[38] NAZ, ZIMCO 1/2/470, LOC 8059, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August, 1987.
[39] Interview, Ponga.

their equivalent (in Kwacha).[40] This observation confirmed the General Manager's report to the Board of Directors in 1984 which read in part that:

> The Bank of Zambia had rejected Management's application for the 100 percent retention of foreign exchange earnings from exports. Even though it was resolved after some discussions that a fresh application should be lodged, we are not certain whether the response would be favourable or not.[41]

Although the setting up of the Foreign Exchange Management Committee (FEMAC) in 1987[42] enabled MBL to acquire more foreign exchange, the Company's thirst for the international currency was never fully quenched because of its heavy reliance on foreign raw materials and capital goods. Even after the liberalisation of the whole foreign exchange system and the creation of foreign exchange bureaus in 1992, MBL continued facing challenges in accessing foreign exchange. However, as noted earlier, MBL was not the only Company which was affected by the erratic supply of foreign exchange. In 1979 for example, the country experienced a shortage of blankets because Zambezi Textiles in Livingstone did not have foreign exchange to import raw materials like yarn and wool.[43] Similarly, the ITT Supersonic factory in Livingstone closed down for three months from June to August 1981,[44] followed by Metal Fabricators in Luanshya,[45] and then Livingstone Motor Assemblies,[46] due to critical shortage of foreign exchange to import components and raw materials.

(b) Approval of letters of credit

Apart from the dilemma of its inability to secure sufficient foreign exchange, MBL was consistently plagued by late approval of its letters of credit. Delays in approving the documents for the Company to obtain inputs from foreign suppliers were a hurdle which contributed to shortages of raw materials and thus, unsatisfactory performance of the Company. Even in an event where MBL had sufficient foreign exchange, without the approval of letters of credit,

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[40] Interview, Ponga,
[41] NAZ, ZIMCO 1/2/418, LOC 8054, MBL General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.
[42] Elina Ngoma,'Exchange rate volatility and agricultural exports: The case of Zambia, 1991-2011', MA Dissertation, University of Zambia (2015), 29.
[43] Zambia Hansard no. 51, *Daily Hansard, Wednesday 29th August 1979, Official Verbatim Report of the First Session of the Fourth National Assembly (Resumed)* (Lusaka: Government Printer, 1979), 68.
[44] C.M. Fundanga,'The Role of Small Scale Industries in Regional Development in Zambia', PhD Thesis, University of Konstanz (1985), 44.
[45] Fundanga, 'The Role of Small Scale Industries in Regional Development in Zambia', 44.
[46] Fundanga, 'The Role of Small Scale Industries in Regional Development in Zambia', 44.

importation of raw materials became difficult. For example, in 1978, delays in approving letters of credit resulted in the shortage of raw materials despite MBL having received enough foreign exchange allocation from the government.[47]

A letter of credit was essentially a financial contract between the bank, the buyer; the importer's bank in this regard, and the supplier (the exporter). Generally issued by the importer's bank, it guarantees that the beneficiary would be paid once the conditions of the letter have been met. Letters of credit were used to minimise the risks in international trade transactions where the buyer and the seller might not have known each other. Using a letter of credit ensures that the company only pays for goods after the supplier has provided evidence that they had been shipped.[48] Ponga observed that having opened the letters of credit, the Bank (ZANACO) which MBL had an account with sent the documents to the Bank of Zambia for approval before finally sending them to the bank with which the supplier had an account. Late approval of letters of credit by the Central Bank resulted in a sporadic flow of foreign inputs, which in turn led to capacity underutilisation and poor performance of MBL.[49] The process of determining the importance to the country of what a particular company needed to import made the Bank of Zambia take time to approve the letters of credit from commercial banks.[50]

(c) Delays in placing orders and transportation of raw materials

MBL's continuous delays in placing orders for some foreign raw materials and components also contributed to shortages of raw materials, capacity underutilisation and ultimately poor performance of the Company. While some raw materials were procured in advance before the exhaustion of the previous stock (of the same raw material type), others were overlooked. For instance, during the last quarter of 1982, no order was placed for carbon rods despite the indication that available ones would be exhausted in two weeks' time. Similarly, although Ammonium Chloride was ordered before available stock ran out, the ordered quantity was so

[47] *Zambia Daily Mail*, 22nd January 1979, 4.
[48] H. Alavi, 'Documentary Letters of Credit, Legal Nature and Sources of Law', *Journal of Legal Studies*, Volume 17, No. 31(2016), 106.
[49] Interview, Ponga.
[50] Interview, Ponga.

small that it lasted for four weeks only.[51] One reason for the delays in placing orders could have been due to the poor cash position of MBL at the time when orders were required to be made.

Delays in dispatching raw material consignments by overseas suppliers or transporters also contributed to the shortage of raw materials and poor performance of MBL. The smooth flow of raw materials was also constrained by the land-locked status of the country as any undue delays in dispatching consignments from the Port of Dar E Salaam resulted in raw material stock outs which adversely affected production.[52]

3.2.4 Insufficient power supply

Erratic electricity supply to the factory which was normally experienced at the beginning of the rainy season was another operational challenge which negatively affected the performance of the Company in general and the productive capacity of the factory in particular. Usually, rainy seasons were characterised by power blackouts from the month of November to December. In August 1987, production was low at 189 000 batteries against the target of 3 000 000 batteries not only due to the shortage of Ammonium Chloride but also as a result of the interruption of power supply for more than seven days by ZESCO.[53]

Nigeria was another African country where erratic electricity supply impacted negatively on the development of manufacturing industries to an extent that in Kano, productive activities of industries were almost halted. Hence, in the late 1970s and 1980s, some companies were compelled to buy generators to support their operations. Consequently, there were increments in production costs which eventually resulted in increased product prices.[54] Suffice to state that while private owned manufacturing industries in Nigeria automatically increased the prices of commodities and downsized whenever there was a rise in the cost of production, MBL had to engage in protracted negotiations with the Ministry of Commerce, Trade and Industry, and government officials before a price rise could be effected. Besides, MBL and other manufacturing industries (parastatals) in Zambia had a social obligation of employing more

[51] NAZ, ZIMCO 1/2/406, General Manager's Report to the 32nd Meeting of the Board of Directors held in the conference room in Mansa, 1st March, 1983.
[52] Interview Ponga.
[53] NAZ, ZIMCO 1/2/482, Minutes of the 52nd Meeting of the Board of Directors held in the conference room in Mansa, 26th November, 1987.
[54] A.A. Maiyiki, 'The challenges of textile and manufacturing industries in Kano Metropolis', *Business Review*, Volume 8, Number 2 (2013), 119.

workers in spite of reduced activities; a situation which was economically disastrous.[55] In most cases, the social and political objectives of industries overtook the profit or economic objectives; allowing for overstaffing in the parastatals.[56]

3.2.5 Poor product quality and sales returns

Consistent production of high-quality products is critical to the good performance of any company or organisation. However, sometimes, MBL produced batteries of compromised quality. For instance, in the first quarter of 1993, K30, 432 000 of the Company's recorded loss was attributed to sales returns of poor-quality batteries from customers. Batteries were returned on account of having been poorly manufactured as evidenced by the bulging of zinc cans, poor correlation between top and bottom covers and poor gluing of zinc cans.[57] Undeniably, the questionable quality of batteries contributed to the poor performance of MBL. Production of poor quality products by state-run entities was not unique to MBL; poor quality beer products attributable to poor refrigeration facilities, was reported at Zambia Breweries, Lusaka Plant, while 'floaters' developed in beer bottles due to malfunctioning of boilers which received insufficient supplies of steam were reported at Ndola Plant. This situation compelled Zambia Airways Corporation Limited to shun locally produced beer and resorted to selling South African beer lagers on its international flights.[58]

3.2.6 Transport challenge

MBL had only three trucks; a Toyota Land Cruiser, and a Nissan Saloon for transportation of raw materials and components from Lusaka, Kapiri Mposhi and Ndola to the factory in Mansa. The same vehicles were also used in the distribution of batteries to different parts of the country. No motor vehicle was permanently attached to the Manganese mine project although one truck was used in hauling Manganese from the site to the factory in addition to serving the other two mentioned purposes.[59] The transportation of MnO2 destined for Tanzania was mainly done by

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[55] C. M. Fundanga and A. Mwaba, 'Privatisation of Public Enterprises in Zambia: An Evaluation of the policies and Procedures' Economic Research Paper No. 35, 6, African Development Bank, https://www.afdb.org>afdb, accessed on 16 May 2023.
[56] V. Seshamani, 'Industrial Development in Zambia: Retrospect and Prospect', in P. Coughlin and G.K. Ikiara (ed.) *Industrialisation in Kenya: In Search of a Strategy* (London: James Currey, 1988), 58.
[57] NAZ, ZIMCO 1/4/145, LOC 8060, MBL, Departmental Reports, Purchasing for the quarter ended 30th June 1993.
[58] C. J.J. Mphaisha, 'Public enterprise and industrialisation: The case of Zambia Breweries Limited', *Ufahamu*, Volume 15, Issue 1-2 (1986), 159.
[59] Chimfwembe, Spark Area 18, Mansa, Wednesday 13th April, 2022.

private transporters who delivered the raw material to Kapiri Mposhi railway station. In 1983, Management planned to purchase a tipper truck and one more delivery truck to be used specifically for hauling Manganese from the mining site to the factory.[60] However, the plan was not implemented. MBL continued employing the old method of using one of the trucks which were used in the distribution of batteries for transportation of Manganese from the mine to the factory.

Although the transport problem did not lead to shortages of MnO_2 at the factory, it contributed to the poor performance of MBL by limiting its raw material export capacity which was vital for foreign exchange generation. As earlier noted, the availability of foreign exchange guaranteed a steady flow of foreign inputs. From 1984 onwards, MBL was expected to supply a minimum of 200 MT of MnO_2 to MEC of Tanzania on a monthly basis. However, the Company resorted to making quarterly deliveries which were still below the requirements. For example, in the 1987 Financial Year, only 345 MT of MnO_2 were exported to Tanzania against the required quantity of 2400 MT.[61] In fact, there was no single year in which the required target was met.

Similarly, less than 100 MT of MnO2 was supplied only once to NRC of Malawi in 1988, when the company was in need of regular supplies. Furthermore, no attempt was made to export the said raw material to SI of Kenya. It was also due to the limited number of vehicles that MBL failed to seize the opportunity of exporting large quantities of MnO_2 and zinc callots to North Yemen via the Port of Durban. The situation became worse in 1993 when the General Manager began using a Toyota Land Cruiser as a personal to holder vehicle, after efforts to repair his Peugeot which was involved in a road traffic accident failed.[62] Given the number or variety of raw materials which were involved in the production of batteries, if exported to full capacity, MnO_2 and zinc callots could have helped to generate more revenue for MBL than that generated from battery sales.[63] Undoubtedly, the lack of load carrying vehicles contributed to the low revenue profile and poor performance of MBL.

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[60] NAZ, ZIMCO 1/2/406, LOC 7004, MBL, Minutes of the 32rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[61] NAZ, ZIMCO 1/2/482, LOC 8060, General Manager's Report to the 53rd Meeting of the Board of Directors held in the Conference Room, INDECO House, Lusaka, 19th February 1988.
[62] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[63] Interview, Mumba.

3.2.7 Long distance to the market

The other operational challenge experienced by MBL was that the factory was located far from marketing centres. Most private entrepreneurs established their wholesale shops in urban areas mainly along the line of rail (in Central, Copperbelt, Lusaka and Southern Provinces), where most of the public enterprises and state shops were also set up. Consequently, batteries mainly found their market in urban areas before other consumers in rural areas could access them, as MBL only sold its commodities in bulk to wholesalers.[64] Below is the table indicating MBL's regular customers and the areas from which they operated.

Table 5: Locations of Mansa Batteries Limited's regular customers

	Town	Company	Town	Company	Town	Company	Town
AFE Limited	Lusaka	Monarch	Kitwe	Supa Baking	Kitwe	Pando Distributor	Kapiri Mposhi
Girhardi Milling	Lusaka	National Breweries	Kitwe	United Milling	Chingola	Vision Hir	Lusaka
Anros Industries	Lusaka	National Drum & Can	Kabwe	Zambia Breweries	Ndola	Fashion Bazaar	Monze
Conso-lidated Tyres	Kitwe	National Milling	Lusaka	Mwaiseni Stores	Kabwe	Paddon Auto Spares	Chipata
EC Milling	Lusaka	Nkwazi Manufa-cturing	Kafue	ZCBC	Ndola	Shelas	Chipata
INDECO Milling	Ndola	Norgroup Plastics	Ndola	Tops Trading	Kasama	Shahara	Ndola

[64] Interview, Musukwa, Spark Area 18, Mansa, Monday 25th December, 2021.

General Pharm	Kabwe	Poultry Processing	Kalulushi	Jayhind	Ndola	Zimk Limited	Lusaka
Lenco Somet Wholesaler	Lusaka Ndola	Premium Oils Associated Wholesaler	Lusaka Lusaka	Melcome NIEC Stor KUDC Limited	Lusaka Kabwe Guyatri Kabwe	PC Brothers Chipata Chanda Stores	Choma Kasama
Luangwa Industries	Chipata	Ramchard Limited	Lusaka	Hoozam	Lusaka	Cloth Junction	Kafue

Source: NAZ, ZIMCO 1/04/149, LOC 7029, Interview, Musukwa.

From the table above, it is clear that Copperbelt and Lusaka Provinces dominated the market. In no way did the opening of MBL, Ndola Branch in 1985, and the engaging of provincial distributors in 1987, reduce the distance from the battery factory to the markets despite having improved the marketing and sales of batteries. This was because MBL's trucks still collected batteries from Mansa, distributed them among the wholesalers and agents, and also transported imported and local raw materials, components, and spare parts from Ndola, Kapiri Mposhi, Kabwe and Lusaka to Mansa. Deolalikar contended that the more remote and isolated a location is, the greater the problem of obtaining adequate supplies of inputs and essential services.[65] The presence of manganese in the factory's neighbourhood did not change the fact that MBL still spent more money on the transportation of imported and local raw materials from Lusaka, Kabwe, Kapiri Mposhi and Ndola to Mansa, and incurred extra expenses for the transportation of batteries to the market.[66] This confirmed Musukwa's assertion that the transportation of batteries to Ndola, other towns situated along the line of rail and other parts of Zambia, and the transportation of imported and local raw materials to Mansa undoubtedly increased the cost of doing business by spending twice on fuel for the same commodity.[67] The location of MBL contradicted Hanson's assertion that easy access to the markets influenced the location of

[65] A. B. Deolalikar, 'Rural industries in India: A Study of some factors affecting their performance', PhD Thesis, Massachusetts Institute of Technology (1983), 100.
[66] *Zambia Daily Mail*, 22nd January 1979, 4.
[67] Interview, Musukwa.

industries because transport costs played a dominant role in the entrepreneur's desire to minimise costs and maximise profits.[68]

Other industries which were located very far from the market included Mwinilunga Pineapple Cannery,[69] Mongu Mango processing[70] and KTC[71] among others. The uniqueness of MBL however, lay in its heavy reliance on imported raw materials which were transported to Mansa from time to time.

3.2.8 The Pedicle Road and its associated risks

Closely connected to the location of the Company were the dangers and risks which were associated with travelling to the Copperbelt on the Pedicle Road; the only road which connected Mansa to the Copperbelt before the construction of Tuta Road in 1983. Tuta Road connected the Mansa-Samfya Road to the Great North Road in Serenje. However, despite the opening of the tarred Tuta Road, the gravel Pedicle Road remained the preferred route, as it was a shorter way to the Copperbelt from Mansa, a distance of 230 kilometres compared to the 680 kilometres from Mansa to Ndola via Serenje and Kapiri Mposhi.[72] Whenever Company employees transported goods through the Pedicle Road, Zairean (Congolese) soldiers would unlawfully demand for some amount of money from them.[73] The idea that Zairean soldiers illegally obtained money and other valuables from Zambians travelling through the Pedicle Road was supported by Musambachime's observation that there were unnecessary delays to compel Zambians to part with their money or valuable items, and no receipts were given.[74] This confirmed *Enterprise Magazine's* sentiment that many people travelling to Luapula Province were haunted by the cumbersome immigration procedures through the notorious Pedicle Road.[75]

From a business point of view, although soldiers were given small amounts of money, this was a constraint to the smooth running of MBL, given the number of business trips which were made

[68] Hanson, *Economic Aspects of Industry and Commerce*, 83.
[69] UNIDO, *Modernisation and Expansion of Mwinilunga Pinneaple Cannery Feasibility Study Report* (1983), 43.
[70] Y.K. Shamapande, 'Rural Development Planning and Resource Allocation Policy in Zambia', PhD Thesis, Columbia University (1979), 296.
[71] Mulobelwa 'A History of Kawambwa Tea Company, 1970-1996', 53.
[72] Mumba, Muchinka.
[73] Interview, Musukwa.
[74] Musambachime 'Military Violence against Civilians: The Case of Congolese and Zairean Military on the Pedicle, 1890-1988.' *The International Journal of African Historical Studies*, 663.
[75] *Enterprise Magazine,* No. 3 (Lusaka: 1976), 18.

to and from the Copperbelt. On 15th July 1990, MBL employees namely; Mr. Brighton Musukwa, Ms. Dubeni Bulawyo and Mr. Patrick Mweemba were ambushed near Mokambo Boarder Post, as they were travelling to the Copperbelt to purchase some raw materials, and to be interviewed at Zambia National Broadcasting Corporation (ZNBC), Kitwe Studios. They were then dragged into the forest where they were not only tortured but also robbed of their personal belongings and Company car.[76] Thus, the road which was initially the only one and later the shorter route to the main markets for MBL proved to be a major operational challenge.

3.3 Administrative challenges

3.3.1 Meeting the General Manager's demand to stay out of the compound

One of the administrative problems encountered by MBL was the need to meet the General Manager's demand to have his residential house constructed in an area away from Spark compound, the official Company's residential area. The Company's General Manager (between 1986 and 1989), stubbornly refused to occupy the designated house, on account that he was not comfortable to stay within the compound. 'As a way of complying with the superior's demand, Management resolved to construct a house at the quickest pace under difficult circumstances'.[77] When the Management Board realised that the matter was urgent, they approved a progress report which sought to purchase a house valued at K400, 000, since the construction process was deemed more costly and time consuming. Between April and May 1987, MBL applied for a mortgage from the Zambia National Building Society (ZNBS). The house was valuated at K380, 000 and a loan amount of K285, 000 was made available in October 1987. The balance of K95, 000 was financed by MBL.[78] The purchased house was situated in the low density residential area which was three kilometres away from the battery factory.

By any standards, the house that was reserved for the General Manager within the compound was better than the purchased one, although they were of the same size, and both were surrounded by wall fences and had servant quarters. In fact, MBL was compelled to spend more

[76] Interview, Musukwa.
[77] NAZ, ZIMCO 1/2/470, LOC 8059, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August, 1987.
[78] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Minutes of the 52nd Meeting of the Board of Directors, held in the Conference Room, Mansa, 26th November, 1987.

money on renovations and room enlargements, in addition to the K16, 640 valuation fees,[79] and the K76, 000 which was spent on the purchase of furniture and a fridge.[80]

Sumaili pointed out that the only difference was that Spark compound was located in Senama area, where most of the houses in the neighbourhood of the factory and residential area were of low and moderate quality, while the purchased house was located in a high-cost area. The Chief Executive wanted to live in a high-cost area where nearly everyone at his rank lived.[81] The General Manager's action confirmed Megan Vaughan's observation that 'after Zambia's independence, certain sectors of the economy were nationalised and parastatal organisations were created. However, such organisations passed in the hands of powerful local elites who mismanaged the organisations' resources for their own ends'.[82] This was because living far away from the battery factory was tantamount to abuse of the Company's resources in the sense that for the officer in question to report for work, money was spent on fuel. Had the officer stayed within the compound which was less than 150 meters from the factory, a distance which was walkable, the money which was spent on fuel could have been channelled to the Company's critical needy areas. His stay out of the compound defeated the purpose of constructing the General Manager's house within the compound.

Furthermore, spending on accommodation at a time when the Company was facing financial challenges showed poor judgement and lack of vision for the institution on the part of the General Manager. As noted earlier, the year under review was characterised by raw material shortages which led to production interruptions for three successive quarters and the sending of workers on unpaid leave. If the General Manager had put his personal affairs secondary to those of the Company, production interruptions which occurred in 1987 could have been minimised by ensuring that the Company's money which was spent on the housing project was used in

[79] NAZ, ZIMCO 1/2/470, LOC 8059, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August, 1987.
[80] NAZ, ZIMCO 1/2/482, LOC 8060, Minutes of the 52nd Meeting of the Board of Directors, held in the Conference Room, Mansa, 26th November, 1987.
[81] T.W.C. Sumaili, *Social and Cultural Dimensions at Mansa Batteries Limited* (Helsinki: TECO Publications 1987), 34.
[82] Megan Vaughan, 'Exploitation and Neglect: rural producers and the state in Malawi and Zambia', in Hand Birmingham and Phyllis, M. Martin (ed.), *History of Central Africa: The Contemporary Years to 1960* (London: Longman, UK Limited, 1998), 180.

procuring sufficient Ammonium Chloride.[83] The batteries produced in April could have raised money to procure raw materials, thereby minimising successive production interruptions.

3.3.2 Lack of consultation between INDECO and Mansa Batteries Limited

It has already been demonstrated that unlike KTC which was administered from the headquarters (Lusaka) by the Ministry of Rural Development,[84] the administration of MBL was decentralised. However, since the threshold at which INDECO was allocated foreign exchange by the Bank of Zambia was higher than those of its subsidiaries, INDECO purchased industrial equipment requiring huge amount of foreign exchange on behalf MBL. MBL deposited cash (in Kwacha) into INDECO Limited's account whenever there was need to buy industrial equipment.[85] Although such arrangements were appropriate, lack of consultation in critical decision making between INDECO and MBL sometimes caused problems which led to the poor performance of MBL. For instance, in January 1993, INDECO purchased a new highly technical cell assembly machine from Cramic Engineers of England without consulting MBL's officials on the type and specifications of the required machine, and its suitability. As a result, the machine ran into serious technical problems shortly after its commissioning. This negatively affected the performance of MBL. Expressing his displeasure, Musukwa observed that:

> Allowing MBL's machine operators who had gotten used to operating mechanical machines, to operate a highly sophisticated technical machine after INDECO had left them out for training on how to operate it before the machine was purchased, forced operators to employ trial and error method in dealing with the equipment. Consequently, the machine developed multiple problems.[86]

The machine was tested, and INDECO officials were trained on how to operate it before it was purchased. However, since INDECO officials did not comprehend the rules of operating the equipment, they failed to train MBL's machine operators. When three engineers from the supplier were recalled to reset, repair and re-commission the machine, MBL was charged K10 621 000 for the exercise.[87] This was due to the fact that some damages on some parts of the

[83] NAZ, ZIMCO 1/2/470, LOC 8059, Minutes of the 51st Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 14th August, 1987.
[84] Mulobelwa, 'A History of Kawambwa Tea Company, 1970-1996', 31.
[85] Musukwa, Spark Area 18, Mansa, Monday 25th December, 2021.
[86] Interview, Musukwa.
[87] NAZ, ZIMCO 1/04/145, LOC 7029, General Manager's Report to the 75th Meeting of the Board of Directors held in the Board Room, ZIMCO Limited, INDECO House, Lusaka, 26th August, 1993.

machine which manifested during repair works were allegedly caused by operational difficulties experienced by MBL's machine operators. However, the costly repair works were not sufficient to improve the equipment's performance because it continued experiencing frequent breakdowns. It is plausible to argue that if there was good consultation and engagements between INDECO and MBL when purchasing the machine, the latter could not have wasted colossal sums of money in fruitless efforts to repair the machine.

3.3.3 Less privileged administrative positions and short tenure of office for the General Manager

As earlier noted in the previous chapter, the positions of the General Manager, Works Manager, Plant Engineer, Chief Accountant, Personnel Manager, Marketing Manager, Production Manager, and Quality Assurance Manager were part of the Senior Management. However, although they all occupied important decision-making positions, they did not enjoy the same privileges. Apart from the General Manager, only the Works Manager and the Plant Engineer were provided with personal-to- holder vehicles. This demotivated the rest as not only did they feel that their positions were ceremonial but they also felt denigrated in the eyes of their subordinates.[88] The situation negatively affected the work culture of the aggrieved administrators. The decision of attaching some benefits to specific positions was made by INDECO. In that regard, INDECO was also a cause of the problem in the administration of MBL. However, discrepancies in benefits also affected junior members of staff such as technicians, clerical and general workers as a result of maladministration at MBL. For instance, transport was provided for staff in senior and middle management, as well as for those in supervisory positions who were temporarily accommodated at the guest house. They were transported to and from work. This transport was only withdrawn once the above stated categories of workers were allocated houses in the compound. However, no arrangements were made to provide junior members of staff that resided in distant places with transport despite the fact that MBL owned a minibus which it could utilise for such purposes. Consequently, punctuality was hardly observed among the affected workers. This adversely affected the efficiency and wellbeing of the battery factory.[89]

[88] Sumaili, *Social and Cultural Dimensions at MBL*, 7.
[89] Sumaili, *Social and Cultural Dimensions at MBL*, 33.

Apart from the preferential treatment of some officers, a short tenure of office for the position of the General Manager was another administrative challenge. The first General Manager appointed in 1976 before MBL was officially opened, was replaced by another one in 1978. The second and the third General Managers were the longest serving ones as they served for eight years (from1978 to 1986) and three years (from 1986 to 1989) respectively. The last three General Managers served for two years each, from 1989 to 1990, 1991 to 1992 and from 1992 to 1994. INDECO's policy was not to allow General Managers to stay long at particular companies fearing that familiarity would breed corruption. Thus, the General Managers were transferred from one subsidiary to another.[90] However, Chama was of the view that two years was too short a period for an administrator to familiarise oneself with the company, properly plan and fully comprehend the challenges affecting it in order to offer solutions.[91] The importance of a relatively long tenure of office was amplified by Nyamazama's observation that 'uncertainty would be the consequence of a short stay at the company as managers would be reluctant to make long- term plans as they would not be sure of whether they would be around to see such plans executed or not'.[92] However, it can also be argued that a long tenure of office for mediocre managers could be as harmful as their frequent transfers would be to the institutions. If an incompetent manager overstayed at one company on one hand, the damage to the company would be immense. On the other hand, if an incompetent manager is transferred to another company, it would entail the transfer of problems. Thus, a relatively long tenure of office only for an impeccable human resource would bring about progress at a Company.

3.4 Political interference

3.4.1 Predetermined location and price reviews

After the attainment of independence, the economic stagnation of rural areas in Zambia triggered massive migration of people from rural to urban areas. In an attempt to create employment in rural areas, government compelled INDECO to set up government controlled economic ventures. Projects were undertaken based on political considerations. Although in the case of MBL, one of the feasibility studies had concluded that the project in Mansa would be uneconomical; its

[90] Mumba, Muchinka Secondary School, Mansa, Tuesday 28th July, 2022.
[91] Interview, Chama Gibson, Senama Market, Mansa, Monday 12th December, 2022.
[92] Nyamazama, 'Manpower Planning and Labour Shortages in an Underdeveloped Economy: An Empirical Analysis of Manpower Policies and Practices of the Industrial Development Corporation Limited (INDECO) of Zambia', 55.

location was decided on the basis of its potential to provide employment opportunities outside the main urban areas.[93]

Political interventions did not end at the issuance of directives on the location and nature of investments. 'When MBL became operational, government reviewed wholesale prices which were requested by the Company and other parastatals.'[94] Political interventions in form of price reviews fixed the Company in an awkward position in that increases in the cost of production were not immediately passed on to consumers by increasing the prices of commodities without approval by government agencies and political players at ministerial levels. According to Balm, INDECO's products were subject to formal price controls, although even where this was not the case, price rises required ministerial and cabinet approval.[95] Consequently, MBL was sometimes compelled to sell its batteries at prices which were lower than the cost of production as already indicated. For example, the devaluation of the Zambian Kwacha in 1988 implied that prices of foreign inputs were automatically increased. Caught up in this predicament that adversely affected the Company, Management submitted application to the Prices and Incomes Commission (PIC) for a price revision in November 1988. However, by February 1989, MBL was still awaiting the approval of new prices.[96] Since the whole year (1988) was characterised by devaluations of the Kwacha, non-revision of the prices ultimately constrained the 1989 budget, as the amount of money raised from battery sales at the time of currency devaluation could not obtain the same quantities of inputs as those obtained at the pre-devaluation rate. This scenario confirmed Balm's observation that the process through which prices were adjusted was slow and cumbersome, by the time new prices were set, they had often been overtaken by further cost increases.[97] It was irrational and unrealistic on the part of the government to delay the process of price adjustments when it was unable to exempt MBL, from import duties on machinery, spare parts, components and raw materials.

[93] Roger Tangri, *The Politics of Patronage in Africa: Parastatals, Privatisation and Private Enterprise in Africa* (Trenton: Africa World Press, 1999), 30.
[94] Bam, 'Import Substitution Industrialisation: A Case Study of Zambia', 32.
[95] Bam, ''Import Substitution Industrialisation: A Case Study of Zambia'', 104.
[96] NAZ, ZIMCO, 1/2/495, MBL, Accounts for the Quarter ended 31st December, 1988.
[97] Bam, 'Import Substitution Industrialisation: A Case Study of Zambia', 104.

3.4.2 Interference from party officials and government agencies

In addition to the inertia exhibited by the government in approving new prices of batteries, the UNIP District and Provincial Party officials often asked for free batteries whenever they visited the Company. Usually, 5 packets containing 20 batteries would be given to a particular party official who paid a visit to the factory.[98] Even though the quantification of the losses MBL incurred in the process in terms of income might be difficult to determine, as the researcher could not gain access to log books to determine the total number of visitors, it is beyond reasonable doubt that losses were incurred. Losses impacted negatively on the performance of the Company. Additionally, time which could have been productively used was wasted when workers were compelled to attend political party committee meetings convened from time to time at Mansa Batteries Limited conference room. [99]

The trend of interfering with the running of public enterprises politically by demanding for free goods and services also obtained at MBS where Management was usually commanded to provide not only some kilograms of bananas for consumption by party members but also to provide vehicles to ferry party cadres to and from political meeting centres during UNIP ward and district meetings, thereby causing work to stall.[100]

While political interference was a common feature at MBL as was the case with most parastatals in Zambia, a peculiar kind of interference affected the running of MBL. Cabinet Office, a government agency dictated on how business matters were to be handled at MBL. For example, when the National Import and Export Corporation Limited (NIEC) returned some cases of expired batteries to MBL in 1987, Cabinet Office directed the latter to share 50 percent of the loss incurred; not withstanding that NIEC was solely responsible for the state of affairs. This was because the batteries expired four months after they had been supplied, as a result of NIEC's failure to put them on the displays.[101] Cabinet Office further directed MBL's Management to

[98] Interview, Musukwa.
[99] Interview, Musukwa.
[100] Kakulwa, 'Rural Development through Agriculture: A History of Mununshi Banana Scheme, 1967- 2010'', 112.
[101] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Minutes of the 52nd Meeting of the Board of Directors held in the Conference Room, Mansa, 26th November, 1987.

supply more batteries to NIEC Limited on 21 days credit.[102] Such kind of interference resulted in unsatisfactory performance of MBL.

3.5 Conflict between some members of Senema Community and MBL employees

Although the relationship between Company employees and members of Senama community could generally be described as having been cordial, and the association of the two parties usually resulted in mutual benefits, there were some members of the local community who always felt that they were deprived of the benefits of modernisation (being accommodated in electrified houses with 24-hour uninterrupted water supply) which were associated with the Company by 'aliens or intruders'. The concepts of intrusion and alienship emerged as employees were recruited not only from Mansa and the neighbouring districts, but also from all the other parts of Zambia and some other parts of the world such as India and Finland.[103] Thus, some members of the local community who had no opportunity of being employed by MBL became frustrated and harboured grudges against MBL employees.

The disgruntled members of the community were a challenge to the smooth running of MBL as they on occasion beat up unsuspecting employees returning home from drinking sprees or market within the community. Such attacks were extended to those on night shifts/duties. Located a few meters away from the compound, a factory worker would at times go back home maybe to collect a jersey in case of sudden change of weather, but would end up a victim of an attack on the way. A mercilessly beaten worker became unproductive.[104] Concerned with this state of affairs, Management began committing financial resources towards the reinforcement of security at the factory as a way of protecting not only property, but also the workers. This validated Scott's point that rapid industrialisation in a rural community if it results in heavy concentration of people with widely different value systems, may increase tensions and conflicts. Consequently, the community may have to devote additional resources to police protection and to working out more effective mechanisms for resolving conflict.[105]

[102] NAZ, ZIMCO 1/2/482, LOC 8060, MBL, Minutes of the 52nd Meeting of the Board of Directors, 1987.
[103] Interview, Lumpa.
[104] Interview, Lumpa.
[105] Scott, 'Profile Change When industry moves into a rural area', 45.

3.6 Economic challenges

3.6.1 Loan repayments

MBL had a burden of repaying a loan which MPL had obtained from ZNPF and used for construction of the factory infrastructure. The taking over of the factory buildings from MPL in October 1982, at K4 125 23 by the dry cell company entailed the transfer of the K3 600 000 ZNPF loan from the former to the latter.[106] At face value, the taking over of factory buildings did not only prevent MBL from paying rent, which was reviewed annually but also subsequently increased the value of fixed assets on its balance sheet. However, the increase in the value of fixed assets was to a great extent superficial, in the sense that using factory buildings as collateral implied obtaining a loan by another loan. In other words, MBL accumulated debt before the commencement of operations. This meant that regardless of the challenges it encountered in its infancy stage, it was obliged to clear the debt.[107] The situation of not starting business on a clean sheet had deleterious effects on the Company.

In addition to the ZNPF loan, MBL had an overdraft facility of K1 175 000 with Barclays Bank Zambia Limited, which the Bank converted into a loan facility in July 1982. Subsequently, a monthly repayment of K50 000 was effected in the same month. As of 31st December 1982, another loan facility of about K5 401 638 was obtained from DBZ.[108] Additionally, in 1987, the Company negotiated with ZANACO and the INDECO for loan facilities of K1 500 000,[109] and K2 500 000 respectively. In 1988, MBL negotiated for an overdraft of K7 000 000 with ZANACO. More loan facilities were later on negotiated for with both ZANACO and DBZ. The General Manager's report of April 1993, indicated that ZANACO was owed more than K300 000 000,[110] while DBZ was owed K112 600 000, and by the time MBL was closed down, ZANACO was owed K 1,200 000 000.[111]

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[106] NAZ, ZIMCO 1/2/406, LOC 8053, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November 1983.
[107] Interview, Chimfwembe.
[108] NA Z, ZIMCO 1/3/406, LOC 8053, General Manager's Report to the 32nd Meeting of the Board Directors held in the Company's Conference Room, Mansa, 1st March 1983.
[109] NAZ, ZIMCO 1/2/482, LOC 8060, General Manager's Report to the 53rd Meeting held in the Conference Room, INDECO House, Lusaka, 10th February, 1988.
[110] NAZ, ZIMCO 1/04/145, LOC 7029, General Manager's Report to the 75th Meeting of the Board of Directors held in the Board Room, ZIMCO Limited, INDECO House, Lusaka, 26th August, 1993.
[111] Zambia Hansard, Tuesday 9th March, 2010, *Daily Parliamentary Debates for the Fourth Session of the Tenth National Assembly*, https://www.parliament.gov.zm.

Apart from contracting loans locally, funds were also sourced externally. In 1984, a commodity loan of about 1 200 000 Dutch Florins was obtained for the purchase of raw materials and machinery. When it was realised that the Netherlands did not produce the raw materials required by MBL in the manufacturing of batteries, the funds were spent on the purchase of machinery only.[112] This was followed by the securing of a 250 000 Canadian Dollars commodity loan in 1985, which was used to purchase the raw materials from Canada with the help of the Canadian International Development Agency (CIDA) and the Office of the Canadian High Commission in Zambia.[113] The acquisition of a commodity loan from Canada was seemingly necessitated by the Company's failure to secure raw materials from Netherland in 1984. In January 1985, MBL obtained BRC 91486 (Brazilian Cruzeiros) through the Brazilian credit line.[114]

In the long run, loan repayments adversely affected the Company's performance given the high interest rates that were fixed especially by the banks which operated in Zambia. In fact, interest rates kept on increasing. In 1985 for example, the interest rate was at 35 percent; in 1987, it rose to 56 percent and further increased to about 150 percent in 1991.[115] The hiked interest rates increased the cost of production, reduced the profit margin of the products, and consequently led to the Company's poor performance as already noted. According to Mbira, 'high cost of funding suffocates the growth of industries. Accessing loans at a high-cost increases operating expenses of industries and stifles their growth.'[116]

However, borrowing for MBL was a survival mechanism aimed at sustaining operations given the capital-intensive nature of the industry and the challenges it encountered. For instance, the allocation of insufficient foreign exchange to the firm compelled it to rely on foreign commodity loans as a convenient way of obtaining foreign inputs, while liquidity problems which was a by-

[112] NAZ, ZIMCO 1/2/418, LOC 8054, Minutes of the 37th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 28th February 1984.
[113] NAZ, ZIMCO 1/2/448, LOC 8057, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.
[114] NAZ, ZIMCO 1/2/448, LOC 8057, Minutes of the 42nd Meeting of the Board of Directors,1985.
[115] Zambia National Commercial Bank Limited, *Interest rates, 1985 to 1997* (Lusaka: Zambia National Commercial Bank Limited, 1997),7.
[116] Mbira, 'The De-industrialisation of Bulawayo Manufacturing Sector in Zimbabwe: Is the Capital Vacuum to Blame?', 11.

product of a combination of factors such as low production levels and frequent machine breakdowns led to the acquisition of loans locally.[117]

In addition to the loan repayments obligation, MBL was required to pay Management Fees to INDECO. These Management Fees were increased annually. Whereas in 1982, the monthly fee was pegged at K25 000[118], it was raised to K28, 750 in 1983, and further increased to K60, 000 in 1984/85.[119] Payment of high Management Fees contributed to the poor performance of MBL. Discontented with the arrangement, the Chairperson of MBL's Board of Directors urged Management to negotiate with INDECO for a reduced fee, taking into account MBL's heavy financial commitments.[120] INDECO however, did not revise the fees downwards but kept on increasing them. The K5 818 quarterly[121] Management Fees charged by ZIMCO when MBL was brought under its supervision in 1993, validated the Chairperson's claim that the fees which were charged by INDECO were not only exorbitant but also exploitative.

3.6.2 Credit sales and supplier credit

Other challenges of economic nature faced by MBL were those of selling batteries on credit on one hand, and the utilisation of supplier credit on the other hand. From its inception, MBL offered cash sales facility only. However, the year 1984 marked the beginning of credit sales following a sudden change in the sales system from pre-payment to cash on delivery basis, which was tantamount to credit sales as the major distributor/customer, the ZNWMC limited, Lusaka Branch, began to issue cheques only after deliveries were made at its depots in Mansa and Kabwe.[122] Later on, the ZNWMC started obtaining batteries on credit for a period of 30 days. Other customers followed suit but some of them often defaulted or resorted to paying in instalments as highlighted by the debtors' analysis table on page 95.

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[117] Interview, Mumba.
[118] NAZ, ZIMCO 1/2/406, LOC 8053, MBL General Manager's Report to the 32nd Meeting of the Board Directors held in the Conference Room in Mansa, 1st March, 1983.
[119] NAZ, ZIMCO 1/2/418, LOC 8054, Minutes of the 37th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 28th February, 1984.
[120] NAZ, ZIMCO 1/2/418, LOC 8054, Minutes of the 37th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 28th February, 1984.
[121] NAZ, ZIMCO 1/04/145, LOC 7229, MBL, Financial Report for the Quarter ended 30th June, 1993.
[122] NAZ, ZIMCO 1/2/448, LOC 8057, Minutes of the 42nd Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 23rd May, 1985.

Table 6: Trade debtors' analysis (year: 1988)

Mansa Batteries Limited					
Trade Debtors analysis as at 31st December 1988					
	Current	Over 30 Days	Over 1 Year	Total	Subsequent Receipts
ZNMWC	K616 000	K148 000		K764 000	K673 000
Hoozam Limited	K531 000	K36 000		K567 000	K531 000
Focus		K214 000		K214 000	K30 000
Fashion Bazaar	K528 000			K528 000	K528 000
Others		K89 000		K89 000	
Total	K1 675 000	K487 000		K 2 162 000	K1 762 000

Source: NAZ, ZIMCO 1/2/495, MBL, Accounts for the Quarter ended 31st December 1988.

Credit sales negatively impacted on the growth and performance of the Company as it impeded the smooth flow of cash and contributed to excessive debt accumulation in order to sustain operations and deal with emergencies at the factory. For example, in 1985, MBL re-applied to the DBZ for a loan amount of K 350 000, to be used in the rehabilitation programme of the R14 assembly line when it could have used its own resources had the ZNWMC, and Hoozam Limited paid cash for the batteries valued at K1 724 040 and K244 322, obtained on credit.[123]

Similarly, despite the fact that supplier credit system worked as a short-term measure of maintaining operations at the factory, it was not a sustainable way of doing business because not every supplier could offer such a facility. Such a situation led to the failure to obtain the much-needed goods and services from certain suppliers. Additionally, the conditions attached to the system such as interest charges resulted in obtaining goods at prices higher than those offered on a cash sales facility. For example, in the second quarter of the 1993 Financial Year, MBL paid an equivalent of K88113 to overseas suppliers as interest for goods obtained on credit.[124] While MBL was charged interest on the inputs purchased on credit, it never charged interest on batteries supplied on credit.

[123] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Current Assets.
[124] V. Seshamani, 'Industrial Development in Zambia: Retrospect and Prospect', 60.

3.6.3 Kwacha depreciation and poor economic environment

The other economic challenge experienced by MBL was closely connected to foreign exchange availability as already discussed. On 4th October 1985, government introduced a weekly auction of foreign exchange as part of the economic reforms Zambia had been introducing since 1983 as conditions for financial assistance from the World Bank, the International Monetary Fund (IMF) and the Donor Aid Community as discussed in one of the subsequent sections. The auctioning measure existed till May 1987 when it was discontinued. Before the first auction, the exchange rate of the Kwacha with the US$ was K2.35 per dollar. The Kwacha depreciated by 113.2 percent after the first auction and continued to depreciate till it reached K15.25 per dollar during week 60 of the auction.[125]

The depreciation of the local currency meant that MBL and other import-oriented companies had to put up excessive quantities/amounts (of Kwacha) to purchase a given amount of dollars in order to obtain foreign raw materials. This situation created cash-flow problems. Although in 1986, firms had the freedom to charge economic prices, the tremendous increase in production cost pushed prices of commodities far beyond what the market could bear. N.N.J. Mijere noted that the auctioning system had tremendously eroded workers' buying power. While commercial capital observed the exchange rate in fixing prices of commodities, workers' wages and salaries were not pegged to the weekly marginal rate.[126] Consequently, MBL only sold 1 200 000 out of the 3 000 000 batteries produced during the second quarter of 1986.[127] Buying of radio batteries became less important as the local market became depressed because of a bad economic environment. In fact, for most households that did not use batteries for commercial purposes, as indicated in the next chapter, priorities had to be made between spending on 'luxuries' or their children's education following the introduction of school boarding fees in mid-1986, which forced many parents to withdraw their children from educational institutions.[128] MBL was not the only enterprise which was negatively affected by the depreciation of the Kwacha and the subsequent price increase of commodities. KTC was also among the enterprises which felt the

[125] Colclough, 'Zambia Adjustment Strategy-With and Without the IMF', 58.
[126] N. N.J. Mijere, 'African Socialist Ideologies and the IMF Policies for Economic Development: The Case of Zambia', Paper Presented at the Annual Conference of the Economic Association of Zambia, 12th -14th December 1986, Lusaka. 18.
[127] Seshamani, 'Industrial Development in Zambia: Retrospect and Prospect', 60.
[128] The Economist Intelligence Unit (EIU), *Country Report: Zambia, NO.1* (London, 1987), 9.

impact. When the price of Kawambwa tea was increased in 1986, Zambian consumers shunned the commodity. Consequently, KTC's warehouse was stuck with 200 MT of unsold tea.[129]

3.6.4 Trade liberalisation

Since MBL was expected to commence production in 1976, INDECO secured the local market for Spark batteries in 1975 by requesting the Ministry of Commerce, Trade and Industry to protect the local products from competition against batteries which were produced abroad. Suggestions were therefore made to prevent overstocking of imported batteries prior to the commencement of production.[130] Efforts were made even after MBL had become operational to protect it by requesting the aforementioned Ministry not to issue licences to NIEC for the importation of batteries.

Further attempts were made by MBL's Management to protect Spark batteries from competition against foreign manufactured ones by requesting the Bank of Zambia not to allocate foreign exchange to NIEC for the said exercise.[131] According to Karmiloff, Spark batteries required protection from imported products because they were not price competitive.[132] Karmiloff's assertion was substantiated and contexualised by Seshashamani who stated that importing goods from outside is sometimes cheaper than manufacturing the same internally. Batteries were once imported. Since Mansa Batteries Limited was established, about 30 raw materials required for manufacturing batteries were imported.[133] Besides, Spark batteries as well as other locally manufactured goods were more expensive than similar imported goods because most Zambian industries had output volumes which were not large enough to bear the full cost of some of the machinery and other installations which had been put in for the establishment of such industries. Thus, import bans were introduced on commodities, as a way of protecting MBL and many other local industries. [134] However, the liberalisation of trade in 1991 marked the end of protection of local industries from foreign industries.

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[129] *Zambia Daily Mail*, 18th October 1986, 3.
[130] ZIMCO 1/2/207, LOC 6992, INDECO, 1975, Minutes of the 14th Meeting of Board of Directors held in the Boardroom, 8th Floor, ZIMCO House, Lusaka, on 19th June, 1975, at 09:00 AM.
[131] NAZ, ZIMCO 1/2/406, MBL, Minutes of the 33rd Meeting of the Board of Directors held in the Company's Board Room, Mansa, 26th November, 1983.
[132] Karmilloff, 'Industrialisation in Sub-Saharan African: A Case Study of Zambia', 38.
[133] Seshamani, 'Industrial Development in Zambia: Retrospect and Prospect', 65.
[134] Mudenda, 'Trade and Industrialisation Policies Experienced in Zambia', 12.

At independence, Zambia was considered to be one of the most economically advantaged nations in Africa, owing to its copper wealth. But as earlier highlighted in chapter two, and in one of the preceding sections, the collapse of copper prices in the 1970s, coupled with an increase in the import bill due to the rise in oil prices dealt a severe blow to the country's apparent prosperity. In 1974, the price of copper fell from K1 326 per tonne to K793 in 1975.[135] The oil crisis compelled the Organisation for Economic Co-operation and Development (OECD) countries to search for alternatives to most imported raw materials; a move which made copper vulnerable due to several factors such as miniaturisation, recycling and availability of alternatives such as fibre glass and wireless transmission. However, even if the demand for copper had remained high, it was bound to be difficult to meet it due to the declining ore grades and technical challenges the mining sector was experiencing.[136]

In order to bridge the growing deficit, the UNIP government borrowed heavily abroad. This resulted in a debt crisis such that the debt stock reached US$3 250 000 000 in 1980.[137] Unable to meet debt servicing requirements, and with foreign exchange drying-up, the government reluctantly agreed to begin the economic reforms insisted upon by the IMF and World Bank as conditions for further assistance as earlier indicated. Trade liberalisation was part of the package of the Structural Adjustment Programme (SAP) adopted by Zambia in 1983 as a requirement to receive external finances from international financial institutions.[138]

However, the Zambia's growing differences with the IMF led to the suspension of financial support in September 1986. Balance of payments support from aid donors also began to dry-up, exacerbating Zambia's foreign exchange problems, and compelling the government to go back to the negotiating table with the IMF for the facility to get reactivated.[139] That led to a new round of reforms, including the removal of subsidies on maize mealie meal which precipitated riots on the Copperbelt in December 1986. Consequently, in May 1987, President Kaunda cancelled the IMF agreement,[140] and instituted a ''go it alone'' recovery programme, involving a unilaterally fixed

[135] Bank of Zambia, *Report and Statement of account for the year ended December 31st 1975* (Lusaka: Ministry of Finance, 1976), 3.
[136] Colclough, 'Zambia Adjustment Strategy-With and Without the IMF', 51.
[137] Neo Simutanyi, 'The Politics of Structural Adjustment in Zambia', *The World Quarterly*, Volume 17, No 4 (1996), 824.
[138] Simutanyi, 'The Politics of Structural Adjustment in Zambia', 826.
[139] The Economist Intelligence Unit,10.
[140] Simutanyi, 'The Politics of Structural Adjustment in Zambia', 827.

ceiling on debt servicing and a fixed exchange rate. The worsening economic crisis however, left Zambia with no option but to open fresh negotiations with the IMF. In June 1989, as a prerequisite to qualify for the IMF loan, the country implemented a number of economic policy measures which included the decontrol of prices of consumer goods, except maize. Structural adjustment was to be achieved through increased reliability on market prices, and trade was to be liberalised. Additionally, civil service and parastatal reforms, with some level of privatisations were to be carried out.[141] The idea behind privatisation was to prevent government from providing subsidies to public enterprises. Subsidy was among the sources of fiscal deficit which resulted in borrowing. Privatisation was also meant to bring about efficiency in the running of companies.

In 1990, government with the assistance of the IMF drew up a Policy Framework Paper (PFP) which spelt out the economic policies to be pursued by the government between 1990 and 1993. The phased reduction of maize mealie meal subsidies was one of the policy measures proposed in the PFP. Accordingly, the government increased the price of maize mealie meal by over 100 percent. The measure provoked widespread riots in Lusaka and in major Copperbelt towns. [142] Unlike the 1986 riots, President Kaunda did not rescind the decision to increase the price of maize meal as a way of reducing maize subsidies, but halted a complete removal of maize subsidies and there was little action on the privatisation of the parastatal sector. This was due to the pending 1991 general elections. President Kaunda felt that if completely carried out, the reforms would make him unpopular.[143]

However, the IMF responded by suspending all financial disbursements to Zambia and most donors withdrew their support too. Following the elections held in October 1991, in which UNIP was defeated, the MMD government under the leadership of President Fredrick Chiluba agreed to fully implement the reform package agreed between the UNIP government and the international financial institutions in 1990 which included the liberalisation of export and import trade.[144]

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[141] P.A. Anderson, A. Bigsten and H. Persson, *Foreign Aid, Debt and Growth in Zambia, Research Report Number 12* (Uppsala: Motala, 2000), 27.
[142] Simutanyi, 'The Politics of Structural Adjustment in Zambia', 827.
[143] Simutanyi, 'The Politics of Structural Adjustment in Zambia' 827.
[144] World Bank, *World Development Report* (Washington DC, 1992), 6.

Trade liberalisation led to the influx on the local market of cheaply produced batteries from China. The more technologically advanced manufacturing industries in China enjoyed a lower cost of production compared to those in Zambia because China's economy was performing far much better than that of Zambia. Whereas 1 US$ was equivalent to 5.45, 5.77 and 5.81 Chinese Yuan in December 1991, December 1992 and December 1993, respectively, with the inflation rates ranging between 3 percent and 25 percent from 1991 to 1993, 1 US$ was equivalent to 58.8, 320 and 550 Zambian Kwacha in May 1991, December 1992 and June 1993 with the inflation rates ranging between 98 and 184 percent from 1991 to 1993, respectively.'[145] The low cost of production enjoyed by Chinese industries, coupled with good performance of the Yuan meant that even if the Zambian government imposed more than 150 percent tax on imported batteries from China, the imported batteries would still be cheaper than Spark batteries.[146]

Although it was observed by customers that Spark batteries were more durable than the imported Tiger Head batteries, Zambians as low-income earners preferred the cheaper imported brand to the local one. The trend compelled MBL to resort to mobile selling of batteries. Commenting on the development, Lumpa noted that:

> The flooding of the Zambian market with imported batteries left MBL with no choice but to start retailing. Between 1991 and 1993, a truck loaded with Spark batteries conducted mobile sales in Mwense, Nchelenge and other districts within Luapula which hitherto had not been considered as potential markets.[147]

This meant that batteries were then sold in very small quantities. When the price of the commodity was increased twice, in May and August 1993, there was further reduction of order quantities by the customers.[148] In 1993 therefore, MBL's situation was made worse by both external competition and a bad economic environment. However, MBL was not the only Company which was negatively affected by trade liberalisation. Mulungushi Textiles was among other industries which also declined in the early 1990s as a result of failing to contain the stiff competition waged by imported cheap textile products.[149]

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[145] J. M. Chipili, 'Inflation Dynamics in Zambia', *African Research Consortium*, https://www.africaportal.org, accessed on 12th May, 2023.
[146] Interview, Ponga.
[147] Interview, Lumpa.
[148] NAZ, ZIMCO 1/4/145/ L0C 7029, MBL, Financial Report for the Quarter ended 30th June, 1993.
[149] Chiluba Mercy Munoni, 'Cotton Textile Industry in Zambia: The Economic Viability of Revamping Mulungushi Textiles Limited', MA Dissertation, University of Cape Town (2017), 3.

3.6.5 Liquidity problems and the legal battle

The numerous problems faced by MBL meant that much of the income generated was used to address problems rather than developing the Company to the fullest. Cash was hardly saved. This situation led to serious liquidity problems which by 1993 had become unsustainable. To avoid total production closure, some raw materials were purchased on credit from suppliers in South Africa in the second quarter of the year 1993 as already noted in chapter two. The magnitude of MBL's liquidity problem was revealed by the General Manager's report which noted that:

> The overall stock position of our raw materials and components has been very critical and getting worse month after month due to the non-availability of Kwacha and in view of the very poor liquidity situation. The liquidity continues to be very poor on account of low production resulting in our inability to meet commitments to our creditors and apply for procurement of various foreign raw materials.[150]

In the second and third quarters of 1994, the factory was closed down several times on account of raw materials stock out. Between August and September 1994, meetings were held among the Company's Management, Directors from ZIMCO and some government officials regarding the sourcing of working capital. While negotiations for the recapitalisation of MBL were going on, ZNBS filed a lawsuit against MBL for having failed to pay valuation fees amounting to K6 480 094, plus interest.[151] Despite MBL's desperate attempts to delay the execution of the court summon by ZNBS, the matter ended up in the High Court as appendices 3 and 4 indicate. This court case arose as a result of valuation exercise of MBL's housing units conducted by ZNBS on credit in 1992.[152]

While awaiting the liquidity position to improve, MBL's Management received a memo from ZIMCO concerning the privatisation of the Company. To pave way for privatisation, workers were sent on forced leave on 11th November 1994. However, before MBL could be privatised, it was as earlier noted in the preceding chapter, placed under receivership by the DBZ on 14th November 1994. [153]

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[150] NAZ, ZIMCO 1/04/145, LOC 7229, General Manager's Report to the 75th Meeting of the Board of Directors held in the Board Room, ZIMCO Limited, Lusaka, 26th August, 1993.
[151] NAZ, ZIMCO 1/04/149, LOC 7030.
[152] NAZ, ZIMCO 1/04/149, LOC 7030.
[153] Zambia Hansard, Tuesday 9th March, 2010, Daily Parliamentary Debates for the Fourth Session of the Tenth National Assembly, https://www.parliament.gov.zm.

In view of the foregoing discussion, it is tenable to argue that contrary to the widely accepted view that privatisation led to the downfall of parastatals in Zambia; MBL as was the case with many other parastatals began to manifest signs of bankruptcy and therefore, collapsed long before the commencement of the privatisation process. Furthermore, contrary to the widely circulated assertion that President Fredrick Chiluba privatised Zambian industries, consideration to privatise parastatals started earlier. In the words of Mudenda, over 80 percent of the parastatals were loss making and survived on government subsidies. In 1989, government proposed to gradually privatise its enterprises in order to promote efficiency in the industries. However, the implementation of the reforms was very slow until in 1991 when there was a change of government from the UNIP to the MMD.[154] In other words, President Chiluba simply accelerated the process initiated by his predecessor. In fact, the landmark on privatisation was made by President Kaunda at the official opening of the Fifth Extraordinary Session of the National Council of the UNIP in 1990, at which he announced government's decision to devolve more economic powers to the people through a scheme by which the state would sell its interest in state enterprises to the general public.[155] This was also reflected in the 1990's national budget presentation when Mr. G.G. Chigaga, the then Minister of Finance stated that the Party and its government had decided in principle to sell off some parastatal companies.[156]

3.7 Conclusion

The chapter has critically examined the challenges encountered by MBL which in turn negatively affected its performance and growth. It has demonstrated that challenges such as shortage of raw materials and spare parts, inadequate skilled personnel, machine breakdowns, remoteness of its location, maladministration and political interference largely contributed to the poor performance of the Company.

The chapter has further demonstrated that the shortage of foreign exchange to purchase raw materials and spare parts from overseas made MBL to rely on expensive supplier credit, and foreign loans while liquidity problems compelled MBL to obtain loans locally. While from its

[154] Mudenda, 'Trade and Industrialisation Policies Experienced in Zambia'. 16.
[155] E.C. Kaunga, *Selling the family silverware—the parastatal reform programme: aims, process and prospects in Zambia*, Economic Association of Zambia, 1994, 105.
[156] Fundanga and Mwaba, 'Privatisation of Public Enterprises in Zambia: An Evaluation of the policies and Procedures'. 7.

inception MBL was able to survive, thanks to protectionist policies amidst the challenges, its foundation was too weak to favourably compete with foreign industries which produced batteries when trade was liberalised in the 1990s. The high cost of production due to the falling value of the Kwacha and high interest rates on loans gave an advantage to imported batteries. Consequently, MBL began to record low battery sales. Low battery sales were compounded by a faulty machinery, thereby further draining the Company's limited resources. The next chapter assesses the socio-economic impact MBL had had on the people of Mansa and the neighbouring districts.

CHAPTER FOUR

THE SOCIO-ECONOMIC IMPACT OF MANSA BATTERIES LIMITED ON THE PEOPLE OF MANSA AND THE NEIGHBOURING DISTRICTS, 1978-1994

4.1 Introduction

The chapter assesses the social and economic impact of MBL on the people of Mansa and the neighbouring districts. It argues that despite facing numerous challenges, the Company had a positive impact on the lives of the local people. The chapter insists that MBL played a critical role in the socio-economic transformation of Mansa District by creating jobs, both directly and indirectly for the local people. It is argued that not only did MBL create a market for consumer goods such as groceries and cassava mealie meal, as well as fish, meat and milk which were consumed by the workers, and the clients at the lodge, but the Company also enabled the local people to obtain essential goods which were produced elsewhere.

The chapter also argues that the development of MBL led to the emergence of land lords in the surrounding communities located close to the factory, and at the same time, it contributed to the alleviation of the accommodation challenge in Mansa Township by renting out housing units not occupied by the workforce.

4.2 Economic impact

4.2.1 Employment creation

The establishment of the battery manufacturing industry in Mansa led to the creation of employment for the local people. Short-term employment was created during the construction phase. Two hundred people were offered short-term jobs by the Roads Department in the construction of the road which connected Spark Residential Area and the battery factory to Mansa-Nchelenge Road at Senama. Additionally, 120 men were engaged by Wijnberg contractors in building the water pump house, water tank tower, and the digging of the drainage through which the pipe that connected the water tank tower to the water pump[1] installed along Mansa River, near Mansa Trades School was laid. Since the areas selected for the construction of the battery factory and the housing units for the workers had big trees and ant hills, 100 local men were employed to clear the factory construction site, and between

[1] 'Battery Plant to light up Mansa', 40.

100 and 120 men were employed by AMRO contractors to clear the land where housing units were built. After clearing the land, the same workers were engaged to perform tasks such as block making, bricklaying and roofing. [2]

When the factory became operational in 1978 250 long-term jobs were created. In September 1979, MBL had 232 staff and by December 1979, the total number of employees had risen to 237.[3] Staff establishment kept on growing. By 1985, the required number of staff had risen to 365 while the actual number of employees in service was 336. Thus, MBL kept on recruiting more workers until Management was advised to reduce the labour force in 1987. Although it was difficult to estimate the total number of the local people who were employed, it should be stated that Mansa residents in particular and those of the districts closer to Mansa, such as Samfya and Mwense had a lion's share of the Company's workforce. Even though professional staff were mainly from other parts of Zambia, most of the unqualified staff were the local people.[4] Professionally qualified local people had some advantage over their counterparts from other regions. Potential employees from far flung areas could sometimes fail to present themselves for interviews due to irregular transport services offered by the state owned monopolistic road passenger transporter, the United Bus Company of Zambia (UBZ). In many cases, travellers would be compelled to wait for days or weeks before they could board a bus to their destinations.[5] In contrast, in contrast, applicants from nearby Mwense and Samfya only took a day or two of cycling to present themselves for interviews. Similarly, Mansa residents who lived near the industrial site easily walked to the factory for an interview. [6] Table 7 below highlights the composition of MBL's workforce.

Table 7: Mansa Batteries Limited, Manpower categorisation, 1982-1988

Year	Senior Management	Middle Management	Supervisory/ Technicians	Clerical	General labour
1982	6	16	25 27	45	175
1985	6	12	32 29	45	212
1987	5	8	26 32	33	175
1988	7	6	23 35	34	151

[2] 'Mansa Manganese will solve the battery problem', 9.
[3] NAZ, ZIMCO 1/2/334, LOC 8040,142nd Secret Board Papers, 1979-1980, 091.
[4] Interview, Chimfwembe.
[5] GRZ, *Third United Nations Conference on the Least Developed Countries' Report* (Brussels, 2001), 32.
[6] Interview, Chimba.

Source: NAZ, ZIMCO, compiled from Mansa Batteries Limited, Minutes of Annual Board Meetings, 1982-1988.

As shown in the table above, the majority of employees were general workers; made up of miners, packers, loaders, cleaners and security guards. Since the positions of general workers were not advertised, mainly, the people from within Mansa and the neighbouring districts who had access to information concerning vacancies and dates which were set for the interviews were recruited.[7]

Employment creation translated into poverty alleviation at both personal and family levels among the local people. Lumpa who was employed under the engineering department remarked that, my job at MBL was beneficial as I was not ready to stay in the village idly after completing my secondary education at Mansa Secondary School. The job provided me with funds which enabled me to construct a house, and purchase farm land.[8] Lumpa's observation was supported by Chimfwembe who stated that working for MBL enabled him not only to buy a car but also to take good care of his nuclear and extended family members.[9]

From the gender perspective, the development of MBL also played a critical role in redressing gender imbalance. Foster Sakala observed that for a long time, wage employment in Zambia was a preserve of the men folk.[10] The sidelining of women in wage labour especially in industries was legalised by the passing of the Employment of Women, Young Persons and Children Ordinance in 1933; the law which barred women and children from being employed in industries.[11] Thus, when there were job opportunities in colonial Mansa (Fort Rosebery) in the construction, transport and mining sectors and in government service, only men were employed.[12] However, contrary to what obtained during the colonial era, MBL provided equal employment opportunities to both men and women. Sumaili noted that following the Finnish model, the Company employed 10 women to work on the production line, and some rose to the position of Acting Manager Operator.[13] This meant that the job of operating the machines which in the past could only be done by men was then performed by

[7] Interview, Chimba.
[8] Interview, Lumpa.
[9] Interview, Chimfwembe.
[10] Foster Sakala, 'A Social History of Women in the Mine Compounds of the Zambian Copperbelt during the Colonial period', PhD Thesis, University of Essex (2011), 38.
[11] Northern Rhodesia Legislative Council Debates, 3rd Session of the 4th Council, March-April 1933 (Lusaka: Government Printers, 1933), 107.
[12] E.M. Richardson, *Aushi Village Structure in the Fort Rosebery District of Northern Rhodesia* (Lusaka: Rhodes-Livingstone Institute, 1959), 21.
[13] Sumaili, *Social and Cultural Dimensions at MBL*, 20.

both sexes. Apart from the 10 women who were employed under the Production Department, there were other women who held positions of influence. Mrs. Hilda Makanta, the Company Secretary was one of them.[14] Other women served in different capacities such as clerks, messengers, cleaners, while the majority of them packed the batteries in readiness for sale. In view of this, it can be argued that MBL created an opportunity for women in Mansa and the surrounding areas to somehow become financially independent. Thus, industrialisation changed the role of a few women from being exclusively domestic and agricultural to that of working away from home, earning cash and exhibiting authority.[15]

4.2.2 Skills development

The establishment and development of MBL resulted in skills acquisition among the local people. Before they were engaged in construction works, local people underwent craft training in block making, bricklaying, roofing and painting. This was in line with L.M. Berg's assertion that an industry is beneficial if it provides training and other social services.[16] The acquired skills eventually led to the creation of self-employment among the local people after leaving the Company. According to Kasanda, even though most of the bricklayers recruited by AMRO contractors had basic knowledge about bricklaying, they all underwent training before they were engaged in building MBL houses. For fast learners like Mr. John Kamalondo of Kabuta village, and many others, they perfected their skills so much that some residents of Mansa who had building projects engaged them.[17] During the Company's developmental stage, members of different departments were sent for different training programmes as earlier indicated in chapter two. Additionally, MBL recruited staff of different trades such as electricians and plumbers. The trained personnel provided services not only to the Company but also to the local communities within Mansa. During their spare time, services such as electrical wiring, laying, fixing and repairing of water pipes were provided cheaply. Kasanda noted that:

> Normally, clients were able to negotiate with both the employees of MBL and the private service providers such as those who just completed their training

[14] Interview, Mable Makanta, Spark area 18, Mansa, Tuesday 12th April, 2022.
[15] Ignatius and Kaldor, 'Rural Industrialisation: The Impact of Industrialisation on Two Rural Communities in Ireland', *Iris Journal of Agricultural Economics and Rural Sociology*, 226.
[16] L. M. Berg, 'Industrialisation in Lower Kafue Basin', in G.T. Williams and C.W. Howard (ed.), *Development and Ecology in the Kafue Basin in the Nineteen Seventies* (Lusaka: The Kafue Basin Committee of the University of Zambia, 1977), 176.
[17] Interview, Peter Kasanda, Kabuta Villge, Mansa, Saturday 16th April, 2022.

> programmes at Mansa Trades School. The charges by the former were usually half way lower than charges by the latter.[18]

Thus, the existence of the Company enabled members of the local communities such as Senama, Chitamba and Namwandwe to access the above stated services affordably.

4.2.3 Income generation

Since MBL was a major commercial venture in the district, it contributed to an increased flow or circulation of money in the district through the workers' salaries. This confirmed Fowler and Smit's observation that, the prosperity of the district or region can always be gauged by its income.[19] For instance, for the period of six months, from January to June 1985, 336 employees earned a total income of K356 492, of which K140 525 was apportioned to administrators, supervisors and technicians who were 79 in total. [20] In 1994, workers' salaries ranged from K150 to K400 per month,[21] depending on one's position. At that time, the national per capital income was K245. Thus, MBL paid its workers, salaries which were quite substantial. As Chimfwembe observed, money could not be fried or cooked,[22] the workers spent most of it in Mansa District on their daily needs. This was a boost to the local economy.

4.2.4 Boosting of trade locally, and alleviation of shortage of essential commodities

As indicated earlier, the existence of MBL created an environment which was conducive for trade to flourish. During and after pay days, Mansa experienced a boom in trade as MBL employees bought assorted consumer goods which included groceries and clothes. Commenting on the spending mood of the workers on pay day, Mumba observed that:

> The 21st day of the month was our pay day. If 21st fell on Saturday or Sunday, workers would receive their salaries on the 18th or 19th day of the month, on Friday. It meant very good business for the locals who expressed their excitement by shouting; miners have been paid! That was because Company employees stimulated the local economy of Mansa in a similar way miners or mining contributed to commercial activities on the Copperbelt.[23]

The long queues which characterised big shops such as the Zambia Consumer Buying Corporation (ZCBC) and House of Mansa which were located about 2.5 kilometres from

[18] Interview, Kasanda.
[19] C. DE K. Fowler and G.J.J. Smit, *History for the Cape Senior Certificate and Matriculation* (Cape Town: Maskew Miller Limited, undated), 387.
[20] NAZ, ZIMCO 1/2/448, LOC 8057, MBL, Direct costs for the Quarter ended 30th June 1985.
[21] MBL, April 1993 Payment Schedule.
[22] Interview, Chimfwembe.
[23] Interview, Mumba.

Spark residential area, made it difficult for the workers to access the required goods. The situation provided a fertile ground for the emergence and growth of grocery shops at Senama. Mable Makanta noted that small grocery shops began to develop at Senama to cater for the needs of the workers.[24] Makanta's assertion was supported by Amon Mwale who noted that prior to the setting up of MBL, there were only two shops at Senama; one was run by the Council and the other one by Mr. Mulaye.[25] Local businessmen's response to the market created by MBL workers reflected the response of workers in Kawambwa where a tea plantation and a factory,[26] were set up, and in Mazabuka where Nakambala Sugar Estate's employees always bought groceries from nearby shops.[27]

What was unique about MBL was the Management's initiative to clinch some deals with consumer goods suppliers. This increased the availability of goods; a move which ended up benefiting the local people. For example, in the early 1980s, MBL entered into an agreement with Mansa Milling Limited for the supply of maize mealie meal to its workers in view of the shortage of the commodity which was partly caused by capacity underutilisation and partly by smuggling the commodity into Zaire. Goods were smuggled into Zaire during the years when maize, sugar and cooking oil were subsidised in Zambia, in order to maintain the living standards of the workers, while the prices of the respective commodities were very high in Zaire. Thus, a smuggler with a bicycle could earn the equivalent of two- thirds of a worker's monthly income in a single day.[28] In order to avoid long queues and shortages of commodities in their homes, employees subscribed through the Company to Mansa Milling Limited to be supplied with a minimum of 3 by 50 kg bags of maize-mealie meal each, on a monthly basis. The commodity which was offered at factory price also benefited some members of Senama, Kabuta, Chitamba, Namwandwe and other communities where employees of MBL who were not accommodated within Spark compound resided. Members of these communities bought mealie meal cheaply and without stress through Company employees.[29]

In a related development, efforts were made to enable the workers to obtain some consumer goods straight from the manufacturing industries which were located far away from Mansa.

[24] Interview, Makanta.
[25] Interview, Amon Mwale, Mansa Primary School, Mansa, Thursday 7th April, 2020.
[26] Mulobelwa,'A History of Kawambwa Tea Company, 1970-1996', 71.
[27] Kalyalya, A History of Nakala Sugar Estate…71.
[28] D. Renton, D, Seddon and L. Zeilig, *The Congo: Plunder and Resistance* (London: Zed Books Limited, 2006), 26.
[29] Interview, Mumba.

In the mid-1980s, MBL's Management contracted Zambezi Textiles in Livingstone to start supplying its employees with blankets; a trend which made the local people to take part in the buying of blankets direct from the manufacturers at a relatively cheaper price than those which were obtaining in ZCBC.[30] Similarly, in 1984, MBL signed an agreement with Kapiri Glass Factory (KGF), under which KGF began supplying MBL employees with glassware items. This brought KGF products closer to the local people's homes at a cheaper price. Local entrepreneurs also took advantage of the routine presence of trucks which delivered glassware items to buy and stock their shops with the said items, which were then sold at higher prices.[31] MBL found it easy to enter into agreements with the above stated companies and other public enterprises like Zambia Sugar because they were sister companies, which belonged to INDECO. Therefore, the existence of MBL in the area enabled members of the local communities to access essential commodities like sugar, mealie meal and blankets easily at a time when people in other parts of the country were faced with a critical shortage of these commodities.

Apart from creating a market for manufactured goods, the establishment of the Company in Mansa, and its growth contributed to the higher demand for agricultural products such as cassava mealie meal, groundnuts, sweet potatoes and beans. Even mushrooms and wild fruits like sugar plum which hitherto had a very limited market in the area were commercialised. Before the development of MBL, the market for cassava meal in Mansa was restricted to few civil servants, while large markets for the commodity were on the Copperbelt and Katanga. Thus, the establishment of MBL contributed to the growth of market for the farmers by bringing more customers in their vicinity.[32] This arrangement was not unique to Mansa. It was a general pattern of townships where industries were established. For instance, the opening of Chilanga Cement Factory in the 1950s resulted in increased farming activities in order to meet the demand for food among factory workers.[33]

In addition to boosting trade in staple crops, the development of MBL led to an increase in the demand for milk, beef and fish by workers, and clients at the Company's lodge. Since certain areas of the factory were very dusty due to the nature of the operational processes involved, health authorities recommended that production foremen and fitters working in

[30] Interview, Mumba.
[31] Interview, Kasanda.
[32] Interview, Abraham Mwansa, Chitakwa Village, Mansa, Friday 7th October, 2022.
[33]Habeenzu, 'A Historical Study of the Impact of Chilanga Cement Factory on the People of Chilanga, 1949-1995', 59.

such sections as black mix and crushing plant, those operating paper lining machines and those in quality control should all be given a litre of milk every working day. Additionally, milk was consumed in tea which was served at the canteen twice a day, and at the lodge.[34] The consumption of milk improved the market for milk which was bought from the state's dairy farm situated eight kilometres east of Mansa Township. Ultimately and undoubtedly, the workers at the dairy farm spent much of their earnings within Mansa.

The Chishinga Ranch in Kawambwa District supplied beef to MBL on a monthly basis given the limited number of livestock farmers in Mansa. There were occasions when the supplier could not meet the required quantities. To maintain a steady supply of the commodity, local livestock farmers in Kawambwa would be engaged by the supplier, and beef would be sold on their behalf.[35] Any livestock farmer within or outside Mansa District was free to supply beef to MBL. By creating a market for beef, MBL by and large empowered some livestock farmers in Kawambwa with regular income. Selling large quantities of beef in places like Kawambwa was a difficult undertaking. Most people preferred fish to beef since it was cheaper. This meant that selling meat from a bull weighing 400 kg could take many days. However, since many farmers' houses had no electricity, storage of beef was a big challenge. MBL however, was able to purchase more than 1500 Kg of beef every month, and sold it to its employees and clients.[36] Similarly, fish traders from Ndoba, Lubwe and Samfya supplied fish to MBL. By buying fish in bulk, MBL financially empowered fish traders in these places.

The alcoholic beverage industry was another sector which was boosted by the establishment of MBL. Prior to the establishment of the Company, various types of traditional beer such as *katubi, katata, kangala* and *ombwa* were consumed in Senama, Sumbu, Chitamba and other places within Mansa Township, but on a small scale. Beer drinking mainly took place on weekends as people relaxed after engaging themselves in field work such as harvesting. This was a trend in other parts of the country. Colson and Scuddder observed that in the Gwembe Valley and probably in most Central and Southern African communities, beer was brewed in small quantities.[37] However, the insatiable appetite for traditional beer among Company employees resulted in changes in the consumption and beer brewing patterns in the area. Although MBL's club house was well stocked with lagers and other types of bottled beer, as

[34] Sumaili, *Social and Cultural Dimensions at MBL*, 10.
[35] Interview, Musukwa.
[36] Interview, Chimfwembe.
[37] Elizabeth Colson and Thayer Scudder, *For Prayer and Profit: The Ritual, Economic and Social Importance of Beer in Gwembe District, Zambia, 1950-1982* (Starnford: Starnford University Press, 1988), 41.

a way of keeping the workers within Company premises, workers took advantage of the rotational shifts to go and drink beer in different villages. Women who took part in beer brewing generated a lot of income, thereby improving their living standards. Justina Bwalya of Fundi village, Senama, expanded her cassava and groundnut fields with income from beer sales. Similarly, Lilian Bunda electrified her house, bought a sewing machine and opened a tailoring shop at Senama market, using profits from beer sales.[38]

In a related development, people who lived in other parts of Luapula Province also benefited indirectly from the establishment of MBL. Commenting on how Spark batteries reduced the cost of doing business and led to an increase in beer sales, Theresa Mulenga, a former resident of Lubwe, Samfya District, stated that:

> Whenever I engaged men to play Kalindula music, about 600 litres of traditional beer was sold within a day. However, the musicians were very demanding. Apart from preparing food for them before the commencement of the activity, they demanded free beer of not less than 40 litres. Additionally, they were paid a certain amount of money at the end of the activity. The moment I resorted to the radio cassette; more profit was realised. Customers consumed the same quantity of beer within a day as they danced and requested for the type of music they liked. The same pair of Spark batteries was used on four different occasions since they were recharged once exposed to sunlight. My competitors who continued relying on the local musicians remained static in their business. MBL enabled me to easily finance the education of my son who completed his secondary education at Samfya Secondary School in 1993.[39]

Mulenga's narrative highlighted ways in which MBL economically benefited the local people of Mansa and the neighbouring districts who were not directly working at the factory.

Similarly, batteries were used by fishermen and hunters in torches to provide light during their fishing and hunting expeditions at night. Commenting on the economic importance attached to the batteries, Chibale Shimololo of Lubwe observed that:

> Buying a pair of Spark batteries at the beginning of the rainy season was always a wise decision. From the two batteries worth K2 or K3, I could raise more than K100 between November and December. Usually, when there was heavy rainfall at the beginning of the rainy season, schools of bubble fish and other fish species moved from the lake to the shallow waters or marshes to lay their eggs. Light enabled me to see and spear them in big numbers.[40]

[38] Interview, Lilian Bunda, Fundi village, Mansa, Tuesday 4th October, 2022.
[39] Interview, Theresa Mulenga, Spark Area 18, Mansa, Monday 3rd October, 2022.
[40] Interview, Chibale Shimolo, Bwacha Village, Chifunabuli, Saturday 9th April, 2022.

Apart from lighting up the schools of fish, the light from the batteries also ensured the safety of fishermen as it enabled them to see and avoid or kill dangerous creatures like snakes that came their way. In Mansa, Spark batteries were usually bought at retail price from either ZNWMC depot, House of Mansa or ZCBC.

4.2.5 Empowerment of blacksmiths and carpenters

Suppliers of raw materials and components which were used in the manufacturing of batteries usually packed them in plastic and metal buckets. Other raw materials were packed in sack and plastic bags and then fixed on the pallets, while bitumen was packed in big drums. After the removal of the bags from the pallets, and emptying of the buckets and drums, the stores officer was authorised to sell the buckets, drums and pallets to the local people at very low prices. Plastic buckets were used in different ways including the storage of water, grains, and as flower pots. Pallets and drums too were used by blacksmiths and carpenters to manufacture cooking utensils, braziers, sieves and stools, which when sold generated some income for blacksmiths and carpenters.[41]

4.2.6 Emergence of landlords and money lenders

The lack of adequate number of housing units in the compound to accommodate all the workers compelled some of them to seek alternative accommodation in the nearby communities such as Senama, Namwandwe, Chitamba, Sumbu and Kapesha. This motivated some local people to take advantage of the shortage of accommodation to construct small sized simple houses for renting out. Although the rental charges were not high given the moderate standard of the houses, the income earned helped to solve some of the economic problems the landlords faced.[42] However, contrary to the assertion that the limited number of houses in Spark compound forced Company employees to look for accommodation elsewhere, Musukwa observed that in the early 1980s, less than 160 Company houses were occupied. Some employees shunned institutional houses because they were interested in getting housing allowance.[43]

The establishment of MBL also motivated some of the local people to start lending money to some of the workers at a minimal interest rate. Defaulting on payments was not common because workers could be disciplined by Management for falling in debt.[44] The interest on the

[41] Interview, Mumba.
[42] Interview, Mumba.
[43] Interview, Musukwa.
[44] Interview, Mumba.

loan helped in raising the standard of living of the people who were engaged in the business. Therefore, MBL helped to financially empower the local people both directly and indirectly.

4.3 Social impact

4.3.1 Urbanisation of Mansa

The establishment of MBL led to the transformation of Mansa in terms of infrastructure development. Prior to the establishment of MBL, the northern part of Mansa Township only had a Mission station and a primary school under the Christian Missions in Many Lands (CMML). The school was nationalised after independence, and became known as Mansa Primary School. Mansa Trades School opened in 1955, and Senama Primary School opened in 1966, the Council Rest House and a few housing units for Council employees were the other infrastructure which existed in the area. These buildings were constructed in isolated places and only covered small land surfaces. However, the opening of Mansa Secondary School in 1976,[45] MBL in 1978 and Kaole Provincial Stadium in 1979, in the same area led to the transformation of the northern part of Mansa Township in terms of infrastructure development. As earlier noted in chapter two, the battery manufacturing company was associated with infrastructure development. About 200 hectares of land was occupied by different types of infrastructure,[46] which contributed to the urbanisation of Mansa. Marks and Rathborne observed that as industries began to thrive, the concept of township became synonymous with urban living. Road networks, housing units and office buildings which developed along with the industries contributed to urbanisation. [47]

4.3.2 Reduction of ritual killings in the area

For over two decades, from the mid-1970s to the late 1990s, there were rumours of ritual killings in Mansa, which were allegedly perpetrated by a certain local business person and associates. Residents of Mansa lived in fear during the period under review. It was rumoured that the industrial site was one of the areas where the victims were killed. It had a lot of trees and other forms of vegetation. However, the establishment of MBL helped to abate the problem specifically in Senama area. Michael Mwelwa noted that MBL enhanced the security situation of the Senama community. Before the industry was set up, residents of

[45] 'Mansa Looks Ahead', 16.
[46] Interview, Edith Chikonde, Mansa Primary School, Mansa, Thursday 7th April, 2020.
[47] Marks and Rathborne (ed.) *Industrialisation and Social Change in South Africa: African Class formation, Culture and Consciousness, 1870-1930*, IV.

Kabuta village (which became the boundary of Spark compound on the south western side) used to move in groups whenever they went to Senama or Mansa Central Township for fear of being attacked. The establishment of the industry changed that situation. [48] Mwelwa's observation was echoed by Mwale who claimed that:

> With the opening of Mansa Secondary School in the north-eastern part of Mansa Township in 1976, and the opening of MBL in the opposite direction, ritual killings were drastically reduced in Senama. The school site was considered a danger zone. It was believed that people from Kalaba chiefdom on their way to 'town' would be killed around that area. The setting up of the battery factory and the opening of a secondary school resulted in the clearing of big tracts of land in which criminals were believed to be hiding. Besides, the area became busier because of the movements of Company employees and motor vehicles.[49]

The security that came with the establishment of MBL in the area guaranteed people's safety. They were now able to carry out their daily activities safely. For instance, learners from Senama Community could go to Mansa Primary School without fear of being attacked along the way.

4.3.3 Alleviation of accommodation challenge

Reluctance by MBL's workers to live in Company houses turned out to be a blessing in disguise to the members of the general public especially public service workers who were in dire need of accommodation. Mansa, like other places in Zambia, experienced problems associated with accommodation.[50] Management decided to rent out company houses cheaply so that occupants could maintain them. There was fear that if any of the housing units were left vacant, they could be vandalised. This measure somehow alleviated the problem of accommodation in Mansa town, enabling workers from different government ministries and departments such as education, health, home affairs, and social welfare to occupy them. Lack of accommodation had the potential of hampering progress in the area.[51] Thus, the provision of accommodation enabled civil servants to deliver services to the local people more effectively. MBL therefore partially helped in easing the local accommodation challenge. Sumaili observed that, out of a total number of 192 housing units at MBL, 160 were allocated to MBL employees, while 32 were leased to other organisations. [52]

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[48] Interview, Michael Mwelwa, Suburbs, Mansa, Tuesday 5th April, 2022.
[49] Interview, Mwale.
[50] 'Mansa Looks Ahead' 18.
[51] 'Mansa Looks Ahead', 18.
[52] Sumaili, *Social and Cultural Dimensions at MBL*, 20.

4.3.4 Growth of the hospitality industry

The establishment of MBL contributed to the growth of the hospitality industry in Mansa. Like the housing units, the Guest House played a critical role in mitigating the accommodation problem that was faced by most visitors to the province. Prior to the opening of Spark Guest House, there were only three Guest Houses in the area namely; Luke Mumba, Rural Council Rest House and Mansa Inn. These Guest Houses had less than 80 rooms altogether, which were insufficient to carter for the increasing number of visitors to Mansa either for pleasure or business[53] Thus, the opening of the Guest House was a contribution to the hospitality industry in Mansa District. In terms of standards, Spark Guest House was only second to Mansa Inn.

4.3.5 Repairing and servicing of public motor vehicles

MBL had a motor vehicle workshop where its motor vehicles were serviced and repaired. The services were extended to government departments and institutions at very minimal charges. Appreciating the services offered by the Company, Amon Chileshe, a former driver at Mansa District Education Office (DEO) observed that:

> Mostly, when motor vehicles from the DEO, Ministry of Agriculture, institutions like schools and hospitals had problems, they were worked on at the garage under the management of MBL. Repairing was almost free of charge except when certain spare parts needed replacement. Motor cars were rarely taken to Lusaka and Copperbelt for servicing and repairing.[54]

By providing such services to public institutions, MBL indirectly served the local people in the province who continued enjoying uninterrupted social services from the institutions. For example, taking a faulty ambulance to Lusaka for repair meant interrupted service for a week or more at the district or provincial hospital.

4.3.6 Serving people through payment of land rates to the local government

Another way in which the development of MBL greatly benefitted the ordinary members of society in Mansa was through the payment of rates to Mansa District Council. Half-yearly, the Council received land rates which were fixed at 0.4 percent of the total value of the Company's assets which were on its land. In December 1986, the local government was in receipt of K95 000, while K167 000 was deposited in its account in June 1987. In June 1988,

[53] 'Mansa Looks Ahead', 18.
[54] Amon Chileshe, Suburbs, Mansa, Wednesday 6th April, 2022.

when the assets' value was fixed at K72 783 972,[55] the Council received K291 135 85 from MBL. The money was usually utilised in solving various problems which were faced in the district. For example, problems to do with water supply, maintenance of some gravel roads and purchasing the bins which were distributed in the markets were resolved using the same money.[56] This meant that the contributions made by MBL to the Council helped a great deal in the provision of services to the ordinary members of society.

4.3.7 Provision of health care services

MBL provided health care services to meet the health needs of its employees and their family members. The provision of health care services commenced in 1978, when two clinics were opened. One clinic was opened at the factory and the other one was opened in Spark residential area 16. The Company employed two nurses and one clinical officer. It provided them with accommodation within the compound. The clinic at the factory began operating immediately MBL was opened, while the residential clinic was opened in September 1978 upon a realisation that it was not ideal for maternal health care services to be offered to the employees or the wives of the employees at the 'factory clinic'. Apart from the provision of maternal health care services, the residential clinic catered for the health needs of workers' children and dependents. [57] The provision of health care services at the factory was necessary and mandatory owing to the nature of work and the occupational hazards such as those that arose from the crushing of manganese which produced dust emissions. Besides, some of the chemicals used in the manufacturing of batteries were harmful to humans. Thus, there was need for immediate medical attention in case of exposure to the chemicals.[58] The existence of the clinics ensured that only patients with complicated health issues were referred to Mansa General Hospital for specialised treatment.

Additionally, when the government opened Senama Clinic in the 1980s, the rehabilitation works which were later on carried out at the facility compelled health officials from Mansa District Health Office to request for temporal rooms at the factory where health workers began providing health care services to members of Senama Community.[59] Furthermore,

[55] NAZ, ZIMCO 1/2/495, MBL, Creditors, Accruals and Provisions as of 30th December, 1988.
[56] Interview, Kasanda.
[57] Interview, Bernard Ng'andwe, Spark Area 16, Mansa, Friday 8th April, 2022.
[58]Interview, Ng'andwe.
[59] Interview, Mumba.

when some members of Senama Community lost their loved ones, MBL gave them some pallets from which coffins were made.[60]

4.3.8 An opportunity for some local people to marry the working class

Interactions between MBL employees and members of local communities sometimes resulted in marriages between the two groups. Some MBL employees who were spinsters and bachelors got married or married from the nearby communities, while others married their workmates. John Mwenda, an employee of MBL, found accommodation in Chitamba and ended up marrying from the same community.[61] Mwenda's observation was echoed by Kasanda who stated that:

> Opposite the factory was a home of a beautiful lady whom I used to admire when returning home from work. I finally married her, and we have four children together and two grand-children. Many of my colleagues too married from the same community though I cannot mention their names.[62]

When the local people married the working-class men and women, their socio-economic status was raised as they too accrued the benefits of working for MBL by virtue of marrying or getting married to the Company employees.

However, there were also instances when some male Company employees divorced their wives, and married female members of the community. Additionally, there were occasions when it was rumoured that some MBL male employees who were camping at Kabasa Manganese Mine, near Bahati, developed sexual relationships with some women. According to Patrick Mwewa, prostitutes always followed MBL male employees at Kabasa Manganse Mine site, and indulged themselves in commercial sex.[63] This confirmed Mulobelwa's assertion that industrialisation was associated with social vices such as prostitution.[64] He cited an example of how the diamond mines in South Africa attracted young women who commodified sex.

4.3.9 Entertainment of the local people

Apart from the manufacturing of batteries which powered radios by which various programmes of entertainment nature such as football commentaries and drama (ifyabukaya/sowelo) were aired countrywide, MBL formed clubs for various games/sports

[60] Interview, Chimfwembe.
[61] Interview, John Mwenda, Kabuta Village, Mansa, Saturday 2nd April, 2022.
[62] Interview, Lumpa.
[63] Interview, Patrick Mwewa, Nyamuna Village, Mansa, Tuesday 5th April, 2022
[64] Mulobelwa, 'A History of Kawambwa Tea Company, 1970-1996', 71.

disciplines such as football, netball, volleyball, chess and darts through which live entertainment was offered to the local people. Recalling how members of various sports disciplines were selected, James Bwalya pointed out that:

> Some Mansa residents congregated at the club house, learnt and played games like chess, while others were showcasing their skills on the football pitch, volleyball and netball courts which were located next to the club house. It was during this time that talents were identified and the best players were made permanent members of the teams. Spark recreation centre kept young men and women busy as they used their time productively. Thus, MBL played a critical role in preventing youths from engaging themselves in vices like beer drinking and fornication. [65]

However, part of Bwalya's assertion was disputed by Powdermaker's earlier comment that 'social games were occasions for showing off or attracting attention. Often, when players showcased their skills, the impressed audience, particularly members of the opposite sex get attracted or endeavour to attract the 'stars'.[66] However, the aim of MBL was to empower the youths and provide them with an enabling environment for development of their talents. As Bredo observed, the setting up of industries in rural areas creates opportunities for improving amenities of life and culture in such areas so as to make them sufficiently attractive for people to stay in smaller communities rather than migrating to big cities.[67]

While some club members received incentives in form of allowances only, exceptional soccer players were also offered full time jobs at the factory. They were assigned to different departments depending on their levels of education, but the majority fell under the general workers' category. Much attention was paid to soccer owing to its hegemonic status as a national sport. As Chipande noted, Kaunda and the UNIP government attached great value to soccer; parastatals were persuaded to support the game in a number of ways.[68] It was against this background that MBL embarked on the recruitment exercise of good soccer players in order to catch up with other parastatals which were set up earlier. The strategy of offering jobs to footballers as a way of attracting good players started on the Copperbelt where after creating five football clubs namely; Nchanga Rangers, Roan United, Mufulira Wanderers, Nkana Red Devils and Power Dynamos, ZCCM employed professional soccer players as miners on contracts ranging from 12 to 36 months.[69] This practice soon spread to Kabwe and

[65] Interview, James Bwalya, Kabuta Village, Mansa, Friday 1st April, 2022.
[66] Powdermaker Hortense, Copper Town: Changing Africa; the Human Situation on the Rhodesian Copperbelt (New York: Harper and & Row, 1962), 107.
[67] Bredo, 'Rural Industrialisation for Agricultural Development', 14.
[68] D. Chipande, 'Chipolopolo: A Political and Social History of Football (Soccer) in Zambia, 1940-1994', PhD Thesis Michigan State University (2015), 123.
[69] Chipande, ''Chipolopolo: A Political and Social History of Football (Soccer) in Zambia, 1940-1994'',183.

Lusaka where Kabwe Warriors (a team that was sponsored by Zambia Railways), Green Buffaloes Football Club (GBFC) and Red Arrows founded by Zambia Army and Zambia Air Force respectively, caught the attention of top Copperbelt players eager to secure full time wage earning jobs.[70]

Kasanda stated that in spite of the existence of many football clubs in Mansa, which included Mansa Wanderers; founded by Mansa District Council, Lima, formed by the Department of Agriculture, Chipembele under the Police, and Poteko sponsored by Zambia Telecommunications Company Limited (ZAMTEL), only MBL offered jobs to the players.[71] MBL was thus able to attract very good players from most community teams doted around Luapula. A few players from the Copperbelt were also attracted to the team. Having failed to secure a job in the mine after playing for Nchanga Rangers for some months, Bernard Ng'andwe left for Mansa and secured a full-time job at the battery factory through soccer in March 1979. In 1980, Boniface Chongo, Chola Mataka and Alfred Mahata from Chingola, joined MBL in a similar manner, and formed a very strong team.[72]

In 1982, the Company's investment in the club began to bear fruits. After beating Samfya Rockets in October 1982, in the Chibuku Provincial Cup (sponsored by INDECO) quarter finals, Spark Football Club went on to beat Kashikishi Warriors in Nchelenge on 8th October 1982, in the semi-finals. Kashikishi Warriors and Spark Football Club were again drawn into the finals where the latter lifted the trophy in a game which was played at Kaole Provincial Stadium in Mansa on 15th October 1982.The Chibuku Cup trophy was not the only trophy that was won by the team. In 1983, the team lifted the Province's Cup of Champion of Champions after defeating Mansa Wanderers in a game which was played at Kaole Stadium, thereby snatching the soccer supremacy from Mansa Wanderers which boasted of being the best team in the province.[73] Edward Musama noted that the games between Spark and Mansa Wanderers, and Lima and Mansa Wanderers were so competitive that it was impossible to predict the results. The matches were so entertaining that they attracted huge crowds to the stadium.[74] Spark Football Club made the game of soccer highly competitive in Luapula Province, much to the delight of spectators. The team broke the monotony of always watching Lima or Mansa Wanderers lifting trophies.

[70] Chipande, ''Chipolopolo: A Political and Social History of Football (Soccer) in Zambia, 1940-1994'',166.
[71] Interview, Kasanda.
[72] Interview, Ng'andwe.
[73] NAZ, ZIMCO 1/2/418, LOC 8054, MBL General Manager's Report to the 38th Meeting of the Board of Directors held in the Conference Room, 16th Floor, INDECO House, Lusaka, 5th June, 1984.
[74] Interview, Edward Musama, Kabuta Village, Mansa, Saturday 8th October, 2022.

In 1987, the splendid performance of the club attracted the attention of Godfrey Chitalu, one of the greatest strikers Zambia has ever produced. By then, he was coaching Kabwe Warriors Football Club, one of the most highly ranked clubs in Zambia at that time. Chitalu led his well-coached team to Mansa in order to play a friendly game with Spark Football Club. Paul Mulaye, the host team's captain narrated that the visiting team underrated ours so lowly that players were heard whispering that the villagers would lose by a big margin.[75] Contrary to the expectation of the masses, the highly rated visiting team suffered a 2-1 loss. Impressed with the host team's performance, Chitalu gave some money to the host team's captain with instruction to share it with all his teammates as a way of motivating them.[76] Musama observed that MBL helped a great deal in raising the standard of soccer in the district and ultimately in the province as it made people to attach both economic and social values to the game. Community teams' players worked extra hard so that they could be recruited into Spark Football Club which guaranteed good players permanent and lucrative jobs.[77]

All the games or sports which were supported by MBL such as soccer, netball, volleyball and chess were already part of school's sports activities in the area long before the Company was established, except darts. Darts was introduced by some Company employees who initially worked in the mines on the Copperbelt.[78] Evidence suggested that before the establishment of MBL in the area, community leisure life revolved around traditional dance performances, visiting friends, folktales and playing isolo; a Zambian version of the mancala game.[79]

4.4 Conclusion

The chapter has demonstrated that MBL had a positive impact on the socio-economic wellbeing of the people of Mansa and the neighbouring districts. The Company created both direct and indirect jobs for the local people in Mansa and nearby districts. MBL also-contributed to an increased flow of money in circulation in Mansa Township through workers' salaries; thus, boosting local trade.

MBL recruited staff of different trades such as electricians and plumbers who provided services not only to the Company but also to the local communities within Mansa. Services

[75] Interview, Paul Mulaye, Kabuta Village, Mansa, Saturday 8th October, 2022.
[76] Interview, Mulaye.
[77] Interview, Musama.
[78] Interview, Chimfwembe.
[79] Interview, Kasanda.

such as wiring, fixing and repairing of water pipes were provided cheaply to the residents of Mansa.

It has been noted that the construction of the road, water tank tower, housing units, netball and volleyball courts, football pitch and the battery factory with its associated infrastructure contributed much to the urbanisation or modernisation of the northern part of Mansa Township in particular and that of Mansa Township in general.

The chapter has revealed that the development of infrastructure in the area, and the mobility of Company employees led to the reduction of ritual killings in Senama Community.

The chapter has indicated that MBL paid rates to Mansa District Council which in turn facilitated the provision of services to the general public. It has also been pointed out that by repairing and servicing motor vehicles for public institutions such as schools, hospitals and clinics, MBL helped such institutions to serve the people efficiently and effectively.

It has demonstrated and argued that MBL became the only employer of soccer players in the province and made the game of soccer more competitive. The Company's football club became the best in the province and provided good entertainment to the residents of Mansa and other districts in the province.

CHAPTER FIVE

CONCLUSION

The study has traced the origin and development of Mansa Batteries Limited from 1978 to 1994. It has also examined the challenges the Company faced, and assessed its social and economic impact on the people Mansa and the neighbouring districts.

This work has demonstrated that the location of the battery factory in Mansa was dictated mainly by two factors; the need for regional balancing in terms of allocating industries in the country so as to distribute developmental projects, and the availability of manganese, one of the raw materials in the manufacturing of batteries in Mansa District.

The study has shown that MBL as an import substitution industry was in principle required to follow an inward looking policy for it to be self-reliant. Nevertheless, like many other import substitution industries in Zambia and elsewhere in Africa, the Company became inordinately outward-looking. Importation of batteries was replaced with importation of raw materials and industrial goods/technology to produce batteries. Attempts to substitute imported raw materials and components with local ones failed. This was mainly because the local companies on which MBL thought it could rely for the production of some of the required raw materials did not have the capacity to do so.

In terms of challenges, the study noted that MBL experienced numerous challenges. Capacity underutilisation was one operational challenge which emerged soon after the Company was opened. Consequently, the development and performance of MBL were negatively affected. It has been demonstrated that capacity underutilisation was a by-product of machine breakdowns, insufficient power supply and shortage of foreign raw materials, components, and machinery spare parts. It has revealed that shortages of foreign raw materials were a result of MBL's lack of foreign exchange, the Bank of Zambia's delays in approving letters of credit, and the Company's delays in placing orders attributable mainly to its liquidity issues.

Another conclusion drawn from the study is that production of poor quality batteries and geographical location of the Company contributed to the poor performance of MBL. Compromised product quality led to poor sales returns, while inadequacy in transportation capacity limited conveyance of the key raw material (Manganese) as well as the Company's

export potential. Location of the battery factory far from main marketing centres was not only a major constraint on the Company's viability on account of cost but was aggravated by MBL's lack of conveyance capacity.

It is also clear from the study that MBL experienced administrative abuses of its limited resources and inefficiencies in its operations. The General Manager's demand for a new house when another was available nearby, and the Board's acquiescence to the former's demand at a time when the Company was experiencing production closures is just one glaring example. This decision affected MBL's performance in that financial resources which could have been used to purchase raw materials were diverted towards the house project.

Furthermore, the study has shown that political intervention in form of price reviews or price controls fixed MBL in an awkward position in that increases in the cost of production were not immediately passed on to consumers by increasing prices of commodities without approval by government agencies and political players at ministerial levels. At the same time, battery sales through a credit sale facility did not only negatively affect MBL's growth and performance by disturbing the smooth flow of cash but also contributed to excessive debt accumulation in order to sustain operations and deal with emergencies at the factory.

The study has also clearly shown that the depreciation of the local currency induced by weekly auctioning of foreign exchange introduced by the government on 4th October 1985, contributed to the poor performance of MBL by the consequent and tremendous increase in production costs.

The above, coupled with the full implementation of the SAP under which trade was liberalised in the early 1990s, by the MMD government. Spark batteries could not survive stiff competition it was now faced with through cheap imports of cheap batteries from China.

From a positive perspective, this work has shown that despite the many challenges MBL faced, the Company did not only boost the local economy through employment creation thus, contributing to increased local money supply but it (the Company) also financially empowered fishermen and livestock farmers in Samfya (through supply of fish) and Kawambwa (through supply of beef) respectively.

The study has revealed that the development of MBL contributed to the urbanisation of Mansa through the accompanying of social and economic infrastructure which played a crucial role in changing the physical appearance of Mansa Township.

Finally, the study has revealed that the establishment of MBL contributed to the growth of the hospitality industry in Mansa.

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APPENDICES

Appendix 1

Training chart highlighting the number of students and their study areas

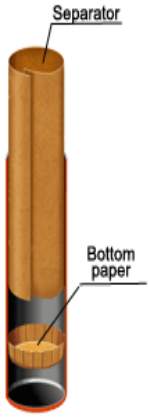
Year	No. of employees	Institution	Duration	Course title	Dates
1982	1	Aston University	Four years	Chemical Engineering	1982-86
1982	1	West Bromwich college of commerce and Technology (WBCCT)	Two years	ACCA	1982-84
1982	5	Department of Technical Education and Vocational Training for Craftsman Course	Two years	Mechanical Craft	1982-84
1982	8	Local institutions	One month	Book Keeping & Accountancy; Method Study and Personnel Management.	02-02-84
1983	1	Choma Trades	Two and half years	Mechanical Fitting	06-06-83 06-12-85
1983	1	Choma Trades	Two years	Work Study	1983-84
1984	1	WBCCT	Two years	ACCA	1984-86
1984	1	Kasiya College-Pemba	One and a half year	Short hand	1984-85

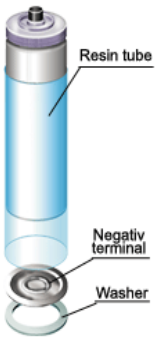
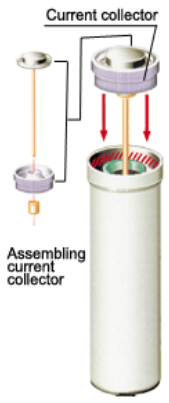
1984	1	President Citizenship College -(PCC) Kabwe	Six months	Personnel Officer's Course	03-01-84 03-07-84
1984	9	Zambia Red Cross Society	Two weeks	Industrial First Aid Training	03-07-84
1985	1	Evelyn Hone College – Lusaka	Three years	Diploma in Accountancy	1985-87
1985	1	ZCCM- Luanshya Craft Training School	One year	Refrigeration Course	09- 09-85 09-09-86
1985	1	NORTEC –Ndola	Two and a half years	Electrical & Mechanical Technician	1985 -87
1985	1	City of London	One year	Diploma in Sales Management and Marketing	23-09-85 to 23-09-86
1985	1	City of London	Three months	Short Course	06-03-85 to 06-06-85
1985	1	PCC-Kabwe	One month	Systems Approach to Personnel Management	07-10-85 to 06-11-85
1985	1	Zambia Institute of Management – Lusaka	One month	Transport Management	28-10-85 to 27-11-85
1985	2	Zambia Institute of Management – Lusaka	One week	Middle Management Seminar	07-10-85
1985	4	Mansa Batteries Limited	Two Months	Practicals in fitting	05-09-85 to 04-11-85

Source: NAZ, ZIMCO, Compiled from Minutes of Meetings the Board of Directors,1982 – 1988.

Appendix 2

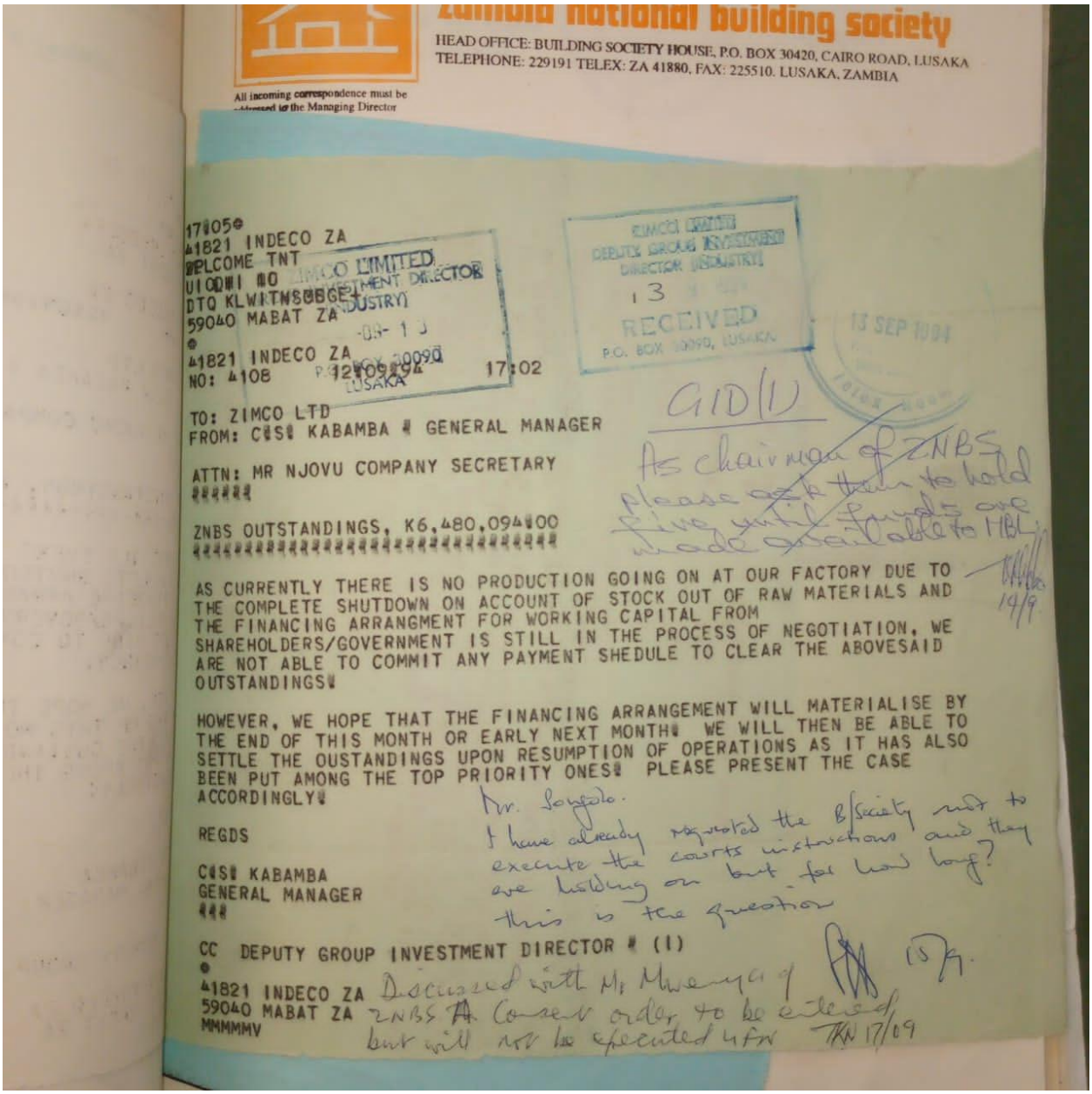
Fujitsu battery flow chart

	1		1
Degreasing a cathode can		**ZINC CAN**	
Any oil on a can are removed. This can functions as a positive electrode. Therefore, materials must be put from the negativ side.		A zinc can functions as both a container and anode material.	
	2		2
Applying a conductive film		**Inserting a separator**	
A conductive material, is sprayed to form a conductive film on the inside surface of a cathode can for good electrical conductivity.		A separator and a bottom paper are inserted to prevent short-circuit of a positive and a negative electrode.	
	3		3
Inserting cathode materials		**Filling cathode material**	
Cathode materials, mixture of manganese dioxide, carbon and others as positive electrode are inserted into a cathode can.		A mixture of manganese dioxide, electrolyte and others are filled as a cathode material.	

	4 **Inserting a separator** A separator is inserted to prevent short-circuit of a positive and a negative electrode.		4 **Inserting a carbon rod** A carbon rod for collecting electricity is inserted into the center of a Zinc can.
	5 **Injecting electrolyte** An electrolyte is injected into a separator to generate electricity.		5 **Sealing** A plastic gasket for sealing is fitted to prevent leakage and drying.
	6 **Injecting anode gel** An anode gel of zinc particles and an alkaline solution is injected as the material of a negative electrode.		6 **Fitting a negative terminal and resin tube** A negative terminal and a washer are placed on the bottom of Zinc can and shrinkbwrapped by resin tube.
	7 **Inserting a current collector** An assembled current collector is inserted from the negative electrode side. This current collector functions as an anode terminal.		7 **Putting the terminal and metal jacket** A positive terminal and a washer are placed on the top of battery and covered by a metal jacket.

Source: https://www.sciencedirect.fd.com.>pibt-process, accessed 21 May, 2023.

Appendix 3



zambia national building society

HEAD OFFICE: BUILDING SOCIETY HOUSE, P.O. BOX 30420, CAIRO ROAD, LUSAKA
TELEPHONE: 229191 TELEX: ZA 41880, FAX: 225510. LUSAKA, ZAMBIA

All incoming correspondence must be addressed to the Managing Director

17#05
41821 INDECO ZA
#PLCOME TNT
UI0Q#I #O
DTO KLWITN#BBGE
59040 MABAT ZA
#
41821 INDECO ZA
NO: 4108 12#09#94 17:02

ZIMCO LIMITED
INVESTMENT DIRECTOR
(INDUSTRY)

ZIMCO LIMITED
DEPUTY GROUP INVESTMENT
DIRECTOR (INDUSTRY)
13
RECEIVED
P.O. BOX 30090, LUSAKA
13 SEP 1994

GID(I)

TO: ZIMCO LTD
FROM: C#S# KABAMBA # GENERAL MANAGER

ATTN: MR NJOVU COMPANY SECRETARY
######

ZNBS OUTSTANDINGS, K6,480,094#00
##########################

AS CURRENTLY THERE IS NO PRODUCTION GOING ON AT OUR FACTORY DUE TO THE COMPLETE SHUTDOWN ON ACCOUNT OF STOCK OUT OF RAW MATERIALS AND THE FINANCING ARRANGMENT FOR WORKING CAPITAL FROM SHAREHOLDERS/GOVERNMENT IS STILL IN THE PROCESS OF NEGOTIATION, WE ARE NOT ABLE TO COMMIT ANY PAYMENT SHEDULE TO CLEAR THE ABOVESAID OUTSTANDINGS#

HOWEVER, WE HOPE THAT THE FINANCING ARRANGEMENT WILL MATERIALISE BY THE END OF THIS MONTH OR EARLY NEXT MONTH# WE WILL THEN BE ABLE TO SETTLE THE OUSTANDINGS UPON RESUMPTION OF OPERATIONS AS IT HAS ALSO BEEN PUT AMONG THE TOP PRIORITY ONES# PLEASE PRESENT THE CASE ACCORDINGLY#

REGDS

C#S# KABAMBA
GENERAL MANAGER
###

CC DEPUTY GROUP INVESTMENT DIRECTOR # (I)
#
41821 INDECO ZA
59040 MABAT ZA
MMMMMV

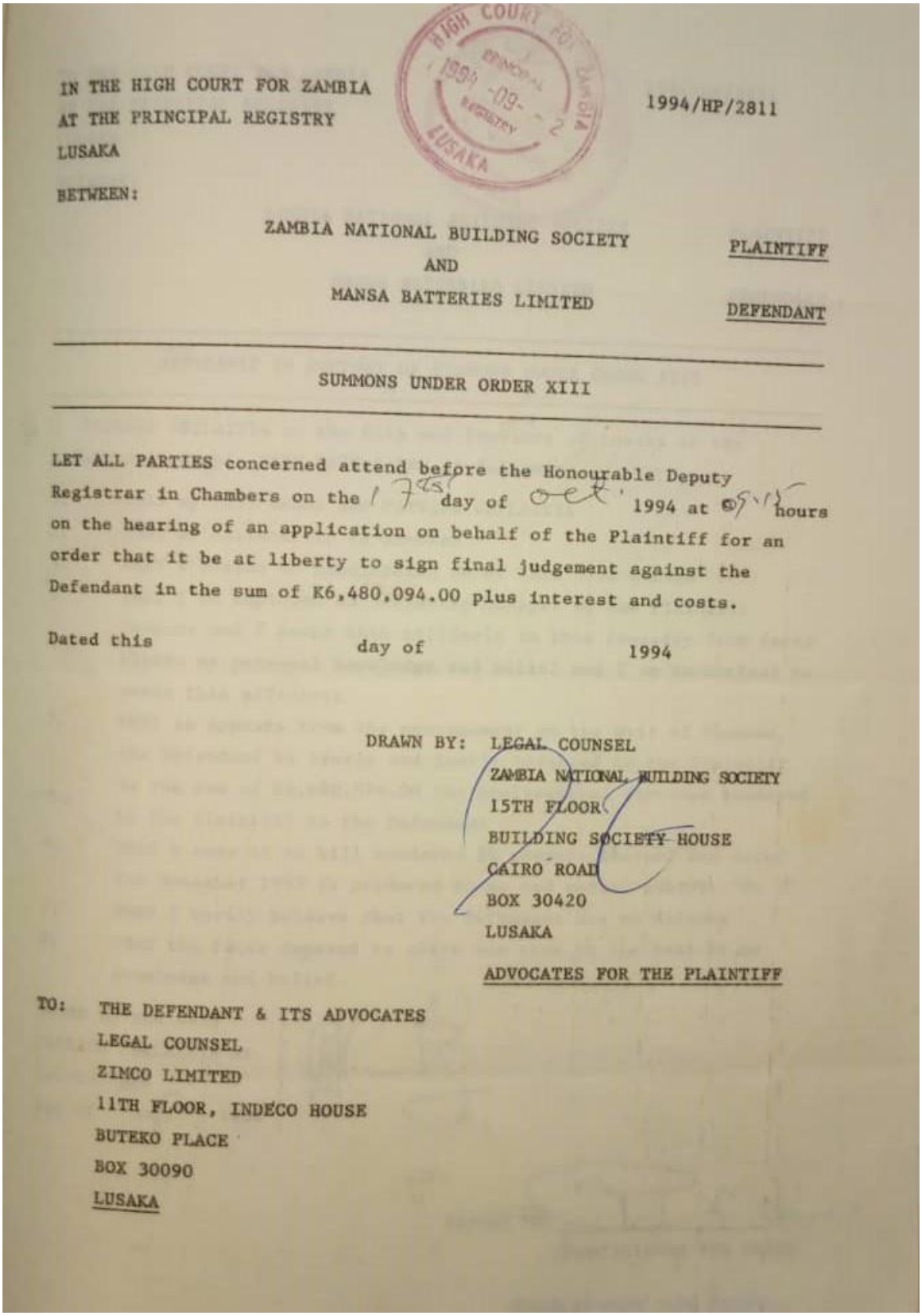
As chairman of ZNBS, Please advise them to hold give until funds are made available to HBL.
14/9

Mr. Sangala.
I have already requested the B/Society not to execute the courts instructions and they are holding on but for how long? this is the question
15/9.

Discussed with Mr Mwenya of ZNBS A Consent order to be entered but will not be executed yet TKN 17/09

Source: NAZ, ZIMCO 1/04/149, LOC 7230.

Appendix 4



IN THE HIGH COURT FOR ZAMBIA
AT THE PRINCIPAL REGISTRY
LUSAKA

1994/HP/2811

BETWEEN:

ZAMBIA NATIONAL BUILDING SOCIETY — PLAINTIFF

AND

MANSA BATTERIES LIMITED — DEFENDANT

SUMMONS UNDER ORDER XIII

LET ALL PARTIES concerned attend before the Honourable Deputy Registrar in Chambers on the 17th day of Oct. 1994 at 09:15 hours on the hearing of an application on behalf of the Plaintiff for an order that it be at liberty to sign final judgement against the Defendant in the sum of K6,480,094.00 plus interest and costs.

Dated this day of 1994

DRAWN BY: LEGAL COUNSEL
ZAMBIA NATIONAL BUILDING SOCIETY
15TH FLOOR
BUILDING SOCIETY HOUSE
CAIRO ROAD
BOX 30420
LUSAKA

ADVOCATES FOR THE PLAINTIFF

TO: THE DEFENDANT & ITS ADVOCATES
LEGAL COUNSEL
ZIMCO LIMITED
11TH FLOOR, INDECO HOUSE
BUTEKO PLACE
BOX 30090
LUSAKA

Source: NAZ, ZIMCO 1/04/149, LOC 7230.