

Profiting from the Wage Gap: Accounting, Race, and Extraction in the Northern Rhodesian Copperbelt, 1931–39

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Abstract

This study reconstructs the financial performance of Roan Antelope Copper Mines Ltd (RACM) in Northern Rhodesia from 1931 to 1939 to show how accounting practices both documented and enabled colonial exploitation. Using annual reports and internal histories, it demonstrates RACM's extraordinary profitability, with return on capital employed exceeding 40% by FY 1937/38. Counterfactual wage modelling reveals that even if African miners' wages had been raised substantially, RACM would have remained highly profitable; however, roughly half of its extraordinary shareholder returns would have disappeared. The segregated presentation of European and African facilities in the balance sheet reflected and reinforced colonial hierarchies, while corporate communications deployed paternalistic narratives to normalise racial inequality. The findings provide new quantitative evidence of the scale of colonial extraction and demonstrate accounting's dual role in calculating, legitimising, and narrating racially structured imperial profits.

Introduction

Accounting practices in Africa remain 'a legacy of colonial rule' (Lassou and Hopper, 2016: 40), reflecting the deep embedding of capitalist frameworks that fundamentally transformed Africa's historical social order. This transformation created profound tensions, as traditional African societies lacked 'an exchange value for labour' (Rahaman, 2010: 421), making the imposition of European accounting systems – with their market-based valuations of human labour and natural resources – a particularly jarring disruption. Rather than serving merely as

technical tools, these accounting systems functioned as pivotal mechanisms for establishing and maintaining European imperial control across the continent.

In this study, we build on Miller and O’Leary’s seminal work on accounting as a mode of ‘socio-political management’ (1987: 262) to provide us with a theoretical lens for understanding how RACM’s segregated asset categories created and reinforced colonial hierarchies through seemingly neutral financial reporting practices. We argue that accounting technologies assisted in turning the African worker into a ‘governable person’ who served the interests of the corporation and contributed to wider colonial control. We approach the case of RACM from the perspective that accounting practices are not only technical tools but also ‘serve certain economic or political interests’ (Miller and O’Leary, 1987: 236). Similarly, we argue that RACM’s strategy for forging social legitimacy was to present its actions as paternalistic, and we consider corporate paternalism – which as a concept, has been applied to other mining enterprises in remote locations (Sandström and Persson, 2021) – as a theoretical underpinning of our study.

Despite accounting’s clear importance for colonial power structures, existing scholarship has concentrated primarily on pre- or post-colonial periods (Annisette, 2000, 2006; Lassou and Hopper, 2016; Poullaos and Sian, 2015; Rahaman, 2010; Sian, 2006, 2011) or on state-driven colonial accounting practices (Gomes and Rodrigues 2014; Huf 2020; Rodrigues and Sangster 2013; Neu 2000). As Annisette and Prasad (2017) have argued, in spite of its preoccupation with the relationship between accounting and power dynamics, critical accounting has been lacklustre in its engagement with race. Indeed, these authors called for ‘adoption of a racial lens’ for the phenomena studied (Annisette and Prasad, 2017: 17). This study responds by approaching race as an economic variable within accounting history, quantifying its impact on financial performance through labour wage policies and delineating the political economy of colonialism.

The intersection of imperialism and accounting has gained increasing prominence within the accounting literature, with scholars demonstrating how accounting practices functioned as instruments of imperial control (Annisette, 2000; Chua and Poullaos, 2002) and how the internationalisation of Western accounting bodies perpetuated informal imperial influence (Chua and Poullaos, 2002; O'Regan, 2010; Sian, 2006, 2011). Recent work has begun to illuminate corporate dimensions of this relationship: Antonelli et al. (2025) revealed how colonial budgets and censuses enabled Italian domination over its African colonies, while Power and Brennan (2022: 20) demonstrated how the British South Africa Company used annual reports to present 'imperial white supremacy ... as benevolence,' effectively dehumanising local populations. However, these advances remain limited in scope. Studies of accounting and natural resource exploitation have focused primarily on domestic contexts, such as coal mining in the UK and precious metal extraction in the USA (Jack and Napier, 2023), leaving a notable gap in our understanding of imperial extractive industries.

Rhodesian Selection Trust (RST) has itself been the subject of recent scholarly enquiry in the field of business history, intersecting with a wider renewed interest in the relationship between empire-building and business in Africa (Mollan, 2020; Mollan et al., 2022; Mollan and Corker, 2023). Of particular significance is RST's decision to change its corporate domicile from Britain to Northern Rhodesia, a move that exemplified broader patterns of settler colonialism in the Central African Federation. This shift represented colonial leadership's attempt to secure control over strategic economic assets through the effective nationalisation of the company via a change of corporate domicile (Mollan et al., 2022: 1613). This corporate manoeuvring by RST occurred within the broader context of the Northern Rhodesian Copperbelt, which has attracted extensive scholarly attention from social historians examining the human dimensions of extractive capitalism (Bates, 1971; Berger, 1974; Burawoy, 1972; Daniel, 1979; Meebelo, 1986; Money, 2021; Perrings, 1979).

The significance of the Copperbelt stems from three distinctive characteristics: the unprecedented speed of its industrial development, its geographical isolation from existing colonial settlements, and the extreme economic disparities it created between European settlers and local African communities. While scholars have extensively examined the social and political dimensions of the Copperbelt's development, the financial mechanics of extractive imperialism remain underexplored, and the Copperbelt's underlying profitability has never been adequately quantified. Labour policies have received detailed qualitative analysis, with studies addressing either black labour directly (Berger, 1974; Perrings, 1979) or white labour characterised by "industrial paternalism" (Money, 2021: 29). However, despite this extensive scholarship, a systematic quantitative analysis comparing remuneration, corporate investment in amenities, and accommodation between white and black workers remains absent from the literature.

This study explores how accounting practices both documented and legitimised colonial exploitation in Northern Rhodesia's Copperbelt between 1931 and 1939. Focusing on Roan Antelope Copper Mines Ltd (RACM), a subsidiary of Rhodesian Selection Trust (RST), the analysis draws on primary sources including annual reports, corporate communications, and Kenneth Bradley's *Copper Venture*, a triumphalist chronicle jointly commissioned by RACM and Mufulira Copper Mines. This company-sponsored text described the mines as "important to the whole Commonwealth and the world" (Bradley, 1952: 15). The analysis combines quantitative financial methods with critical discourse analysis to examine both financial performance and corporate narratives.

We address two key research questions:

- (1) How profitable was Roan Antelope Copper Mines Ltd during its formative years?
- (2) How did the presentation of information within these accounts reflect the company's motivations and concerns regarding its imperial role?

This dual approach reveals how accounting simultaneously facilitated imperial profitability and normalised racial inequalities within the mining operations. Our findings extend beyond historical analysis to illuminate enduring patterns in contemporary extractive industries, where multinational corporations continue to employ accounting practices to manage stakeholder perceptions while extracting disproportionate value from resource-rich African nations (Lassou and Hopper, 2016; Moses et al., 2024).

Sources and Methods

This article draws principally on Roan Antelope Copper Mines Ltd's annual reports for the financial years 1931/32–1937/38 preserved in the ZBW Presse Archiv, supplemented by reports of Mufulira Copper Mines, the published company history *Copper Venture* (Bradley, 1952), and contemporary official publications such as the Charter of the British South Africa Company and Imperial Mineral Resources Bureau statistics. From these accounting records, we reconstruct revenue, costs, capital structure and profitability, and calculate ratios such as ROCE, gross and net profit margins, and cash flow measures. We then develop a counterfactual model of wage costs in order to estimate the financial effects of implementing African workers' 10-shilling strike demands. Alongside this quantitative analysis, we use critical discourse analysis of *Copper Venture* and corporate communications to examine how accounting and narrative practices sought to legitimise racialised labour relations and imperial extraction.

Historical and Economic Context

The development of the Copperbelt and the establishment of the colony of Northern Rhodesia can be traced back to the establishment of Cecil Rhodes's British South Africa Company, a

hybrid commercial–imperial enterprise (Chitofiri, 2021). The company’s Royal Charter of 1889 explicitly combined commercial and imperial objectives, with its opening declaration stating that ‘the existence of a powerful British Company ... would be advantageous to the commercial and other interests of ... the United Kingdom.’¹ This dual mandate was embedded throughout the Charter, which not only obligated the Company to ‘preserve peace and order,’ but also endowed it with extensive economic powers, including the authority to ‘carry on mining and other industries, and to make concessions of mining.’ Together, these provisions positioned the BSAC as both the governing authority and the primary agent of resource extraction, laying the institutional foundations for later mining-led development in Northern Rhodesia.

Early expansion of the company in central Africa was driven largely by speculative gold mining in Southern Rhodesia, a sector characterised by what Phimister (2015: 9) describes as a ‘Potemkin-like façade’. However, the Charter’s broad powers, including authority to ‘acquire and hold ... all or any rights ... of any kind or nature whatever’, provided the legal framework for later copper-mining activities. Crucially, the Charter’s stipulation that the company ‘shall always be and remain British in character and domicile’ shaped not only ownership structures but also subsequent corporate reporting practices and stakeholder relations (Chitofiri, 2021). Moreover, because of the exceptional scale of the concessions granted to the BSAC, the company remained a major economic force even after the expiration of its Charter and the transition from company rule to formal colonial administration. The rights and concessions it retained ensured that it continued to rank among the most significant companies on the London Stock Exchange (Rönnbäck and Broberg, 2019, 2022).

Chartered companies such as the BSAC have a long history within the British empire, with the East India Company and other company states ‘outsourcing’ empire building through private companies having played a key role not only in British empire building but also in broader

world economic development (Phillips and Sharman, 2020). In the context of African imperial expansion, outsourcing empire building to private enterprise lowered the financial burden on the state, tying into the metropole's broader objective to minimise expenditure on the empire (Gardner, 2012). The BSAC's private status allowed it 'to acquire concessions for natural resources by signing treaties with local African rulers' (Rönnbäck and Ngoma, 2024: 4), essentially acting as a de facto state actor with the legitimacy such a role entailed.

The copper deposits of the region had been exploited for over a millennium before the arrival of Europeans but until the 1920s development of the region into a mining exporter was 'fitful and speculative' (Butler, 2007: 14), in large part because of better prospects in the neighbouring Katanga province of the Belgian Congo, where higher-grade ores were found. Indeed, in the Congo there emerged a hybrid British–Belgian commercial model of copper development through Union Minière du Haut-Katanga and Tanganyika Concessions (Katzenellenbogen, 1973). Copper freight from Katanga provided an important economic impetus for the expansion of the Rhodesian railway system, effectively tying together the economic development of the two areas (Lunn, 1997). RACM therefore developed in a region that had already been integrated into global copper markets through existing infrastructure, creating favourable conditions for rapid growth.

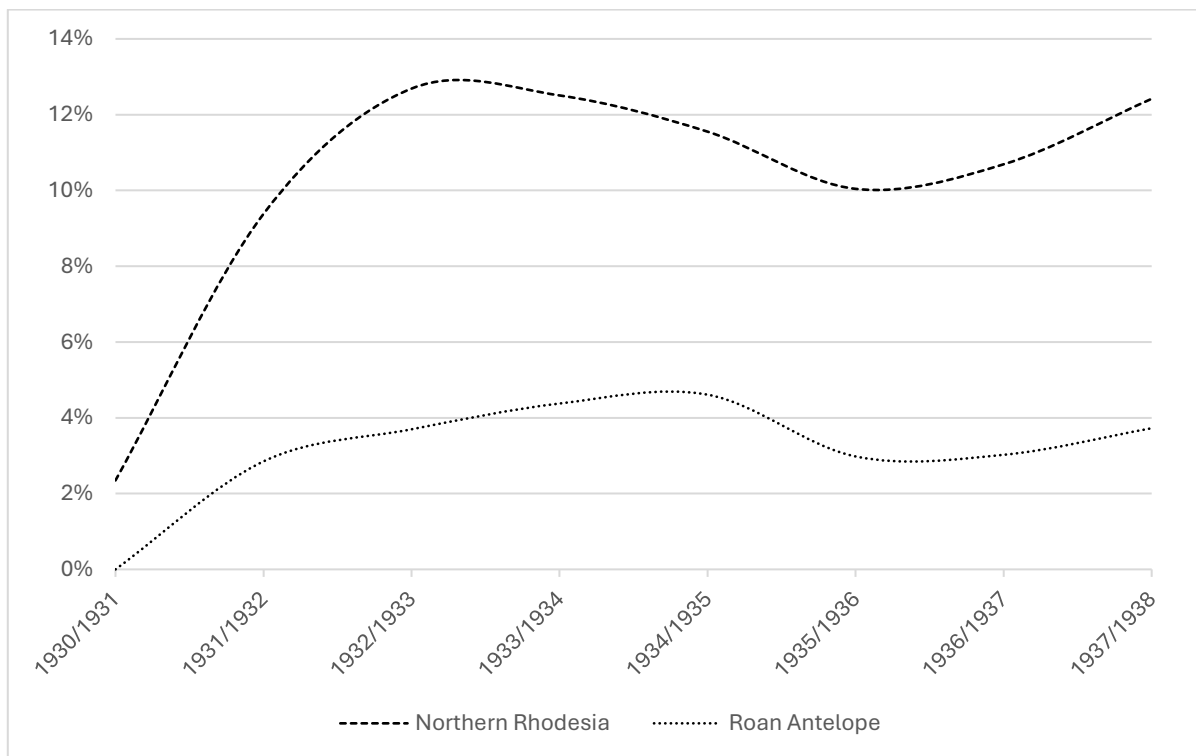
RACM benefited from these unique circumstances by avoiding the extensive exploratory expenses usually associated with the oil and mining industries (Abdo, 2018). Additionally, the parent company, Rhodesian Selection Trust (RST), implemented a strategy of creating separate corporate silos for each productive asset. RACM and Mufulira Copper Mines were the constituent components of RST, which was itself a subsidiary of Selection Trust. Consequently, we can be highly confident that the accounting records for RACM accurately reflected actual development costs, since RST had no necessity to run concurrent exploration companies: the ground had already been effectively proven by a combination of imperial prospectors preceding

the arrival of Selection Trust, as well as by Union Minière's operations in the adjoining Katanga province of the Belgian Congo.

In 1922 the BSAC reformed 'Northern Rhodesia's mining laws, privileging larger, well-financed concerns, with adequate technical expertise', a policy which aimed to avoid the 'development of a system of smallholdings such as that which characterised Southern Rhodesian mining' (Butler, 2007: 15). This legal framework attracted substantial international investment, leading to a flood of capital from the United States, Britain and South Africa. Four major mines were subsequently developed: Roan Antelope, Mufulira, Nkana and Nchanga.

The rapid capital requirements led to significant American involvement, with US finance playing a role in 'developing every Copperbelt mine during the early years' (Butler, 2007: 16). The American Metal Company acquired a 'one-third interest in Roan' from Chester Beatty, founder of Selection Trust, leading to the creation of Rhodesian Selection Trust as the holding company for the subsidiaries RACM and MCM (Butler, 2007: 16). Subsequently, Beatty's Selection Trust sold 17 per cent of RACM's share capital and 28 per cent of RST's shares to AMC, resulting in RST being 'controlled primarily by American capital' (Butler, 2007: 17).

Figure 1 – Proportion of World Copper Production



Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>; (Imperial Mineral Resources Bureau, 1933: 119–21, 1936: 73, 1939: 122–24)

In subsequent years the Copperbelt became an immensely important strategic resource for both the British empire and the United Kingdom’s domestic economy. While this strategic value was already evident during the 1930s, it was later made explicit in *Copper Venture*:

Practically all Northern Rhodesian copper is exported to the United Kingdom and it has been of immense value in helping to close the dollar gap because, if this sterling copper had not been available, our industries would have to buy it with dollars from America, Canada and Chile. In 1951 alone it saved us at least \$132,500,000 (Bradley, 1952: 26).

This strategic importance was reflected in the rapid development of mining operations. The Roan Antelope mine was central to this process; together with Mufulira, it accounted for a substantial proportion of Copperbelt production. In 1933, 1.26 million tons of copper were produced worldwide, according to figures reported by the Imperial Mineral Resources Bureau (1936: 117). The same year Roan Antelope produced 55,152 tons, representing 4.38% of the world’s supply. Figure 1 illustrates the contribution of both the mine and the Northern

Rhodesian Copperbelt to world supply, combining annual figures from the Imperial Mineral Resources Bureau with production data from the company's annual reports. This remarkable growth reflected both the richness of the deposits and the effectiveness of imperial structures in facilitating rapid resource development. In the same year, Roan Antelope produced 55,152 tons, representing 4.38 per cent of world supply. Figure 1 illustrates the contribution of both the mine and the Northern Rhodesian Copperbelt to global output, combining annual figures from the Imperial Mineral Resources Bureau with production data from the company's annual reports. This remarkable growth reflected both the richness of the deposits and the effectiveness of imperial structures in facilitating rapid resource development.

The strategic significance of the Copperbelt extended beyond purely commercial considerations. In the interwar period, copper's military importance grew substantially. As the American Institute of Metals noted in 1916, it was 'almost impossible to kill a man in an up-to-date and scientific manner without using copper' (American Institute of Metals, 1916: 11). This military significance, combined with copper's essential role in electrical and industrial applications, made the Copperbelt's development a priority for imperial planners. The region thus represented a crucial intersection of commercial opportunity and imperial strategy, laying the foundation for the extraordinary profitability that would characterise operations such as RACM.

Labour Dynamics

Inequality was institutionalised on the Northern Rhodesian Copperbelt through the 'industrial colour bar', which dictated that only white workers could perform certain tasks while restricting black workers to more manual, less remunerative work (Berger, 1974: 42–72). Beyond this formal barrier, there was also a stark differential between the wages paid to black and white workers for similar work. This inequality led to strike action by black workers in 1936 and again in 1940, when they demanded 10s per day at the Mufulira mine. The striking

workers argued that they effectively ‘did all the work’ whilst the ‘white men ... did no work’, despite the fact that the ‘lowest paid European received £1 for a daily shift’ (Berger 1974, 57). Table 1 shows average wages for black workers at Copperbelt mines in the 1930s. At Roan Antelope in 1940, when the strike was organised, black workers received between 0.83 and 1.13 shillings per daily shift, representing only 4.15 to 5.65 per cent of the wage paid to the lowest-paid European worker.

Table 1 – African Wages per shift in shillings

Year	<i>Union Miniere de Haute Katanga</i>			<i>Anglo-American</i>		<i>Rhodesian Selection Trust</i>			
	Lubumbashi	Kipushi		Rhokana		Roan Antelope		Mufulira	
		Surface	U'ground	Surface	U'ground	Surface	U'ground	Surface	U'ground
1930	0.71					0.7	1.1		
1931	0.83			0.78	1.08	0.64	1.09		
1932	1.19			0.85	1.11	0.71	1.13		
1933				0.72	0.97	0.71	1.26		
1934	0.84	0.84	1.43	0.7	0.97	0.69	1.2	0.63	0.87
1935	0.63	0.62	1.13	0.74	1.06	0.72	1.28	0.7	0.89
1936	0.61	0.6	1.1	0.81	1.11	0.71	1.29	0.75	1.08
1937	0.6	0.6	1.08	0.82	1.13	0.72	1.23	0.71	1.15
1938	0.68	0.71	1.21	0.83	1.16	0.78	1.12	0.72	1.23
1939	0.81	0.81	1.48	0.86	1.21	0.81	1.13	0.78	1.22
1940	0.82	0.89	1.61	0.85	1.23	0.83	1.13	0.77	1.12
1941	0.81	0.84	1.58	1.06	1.53	1.11	1.53	1.12	1.57

Source: (Perrings, 1979: 258)

While white workers were paid many times more than their black African counterparts, the companies were overwhelmingly dependent on black African labour for their operations. Table 2 provides a breakdown of staffing levels for each conglomerate operating in the Copperbelt: Union Minière in the Katanga province of the Belgian Congo, Anglo American in the Northern Rhodesian Copperbelt, and Rhodesian Selection Trust, which operated both Roan Antelope and the adjoining Mufulira mine. Although the Northern Rhodesian mines were less dependent on black labour than their Belgian Congo counterparts – where ratios exceeded 20:1 – they still maintained high ratios, fluctuating between 6:1 and 10:1.

Table 2 – Black / White labour employment by mining group 1931-1941

Year	Union Miniere de Haute Katanga			Rhodesian Selection Trust			Anglo-American		
	Black Workers	White Workers	Ratio	Black Workers	White Workers	Ratio	Black Workers	White Workers	Ratio
1931	11,621	1,388	8.37	8,414	1,246	6.75	5,534	975	5.68
1932	5,065	664	7.63	2,459	399	6.16	3,372	560	6.02
1933	6,807	487	13.98	3,414	500	6.83	4,045	570	7.10
1934	9,671	550	17.58	5,906	851	6.94	7,064	960	7.36
1935	10,564	596	17.72	7,156	946	7.56	6,583	844	7.80
1936	12,122	624	19.43	7,195	841	8.56	5,287	748	7.07
1937	17,430	796	21.90	10,116	1,034	9.78	8,036	902	8.91
1938	19,232	875	21.98	12,716	1,430	8.89	8,589	1,086	7.91
1939	15,727	870	18.08	12,808	1,422	9.01	9,371	1,231	7.61
1940	15,868	925	17.15	13,955	1,521	9.17	11,600	1,414	8.20
1941	17,074	982	17.39	16,464	1,589	10.36	11,399	1,415	8.06

Source: (Perrings, 1979: 252)

The wage discrepancy between white and black workers on the Copperbelt was mirrored by Roan Antelope's investment in employee facilities and housing. Despite black workers greatly outnumbering white workers, the company invested many times more in facilities and housing for white employees than for black employees. Table 3 presents the number of workers and facility investments reported in the 1931 annual report, when construction was completed and the mines became fully operational.

Table 3 – Per Capita Investment in Accommodation and Facilities

	White Workers	Black Workers
Number of Staff	836	4597
Investment on Facilities	£635,218	£135,460
Per Capita	£760	£29
Income Value 2024	£336,900	£13,060
Ratio	25.78	

Source: Roan Antelope Copper Mines Ltd. Annual Report, 1931/32, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

These data provide empirical evidence validating claims in the literature about black worker exploitation and the excessively generous conditions enjoyed by white workers on the Copperbelt (Berger, 1974; Money, 2021; Perrings, 1979). In 1931, RACM invested £760 per

white worker versus £29 per black worker in facilities and accommodation, representing a 25:1 ratio despite black workers comprising 85 per cent of the workforce. This stark disparity undermines the paternalistic narratives presented by the company in its official publications (Bradley, 1952). As Annisette and Prasad highlight, one of the principal purposes of racialisation is to ‘enable the exploitation of their labour power’, and in the case of RACM this is clearly evident (Annisette and Prasad, 2017: 10). Similar inequities persist in modern extractive industries in the region, supporting the argument that colonial legacies continue to shape patterns of labour exploitation and corporate behaviour (Lassou and Hopper, 2016; Moses et al., 2024).

Financial Performance

The Copperbelt, and RACM in particular, exemplified an unprecedented speed of transition from conceptual planning to becoming an indispensable source of strategic resources for the world economy. As Money observes:

In mid- 1927, Roan Antelope was a collection of thatched huts scattered around drilling sites. By March 1931, the 189- foot- high headgear of the newly constructed Beatty Shaft surpassed the tallest structures on the South African Rand (Money, 2021: 45).

While Money and Butler both characterise the early 1930s as a period of crisis marked by large-scale layoffs and high unemployment among Northern Rhodesia’s white population (Butler, 2007: 18; Money, 2021: 62–3), analysis of the annual reports and accounts presents a significantly different narrative for both RACM and the neighbouring Mufulira Copper Mines Ltd.² From a business perspective, workforce reductions during this period were largely unconnected to the broader demand shock. Rather than reflecting economic distress, these changes marked the natural transition from construction to full operation. In 1931, when the major layoffs occurred, the mine had only just begun ore extraction. The reduction in workforce primarily affected construction workers who had completed their tasks in establishing both productive facilities and worker amenities, rather than miners themselves.

This distinction between the construction and operational phases is crucial for understanding RACM's financial development. Moreover, it illustrates clearly the paradigm shift that an accounting-centred approach can bring to historical research, since—as Money and Butler's analysis shows—it is only with access to the company's annual reports and its accounting and statistical records that one can properly appreciate the rationale for the layoffs discussed by social historians.

Table 4 – Roan Antelope Copper Mines Ltd Finances FY 1931/32 – 1937/38

	Revenue	Operating Expenses	Net Revenue	Debenture Interest	Surplus	Cash
1931/32	£998,380	£806,953	£191,426	£87,500	£103,926	£101,136
1932/33	£1,178,512	£818,713	£359,799	£105,000	£254,799	£274,163
1933/34	£1,800,901	£1,141,251	£659,650	£93,723	£565,927	£726,663
1934/35	£1,879,903	£1,289,381	£590,522	£91,549	£498,973	£888,294
1935/36	£1,752,289	£980,887	£771,402	£89,947	£681,455	£1,053,695
1936/37	£3,549,042	£1,485,581	£2,063,461	£72,638	£1,990,823	£1,710,163
1937/38	£3,421,707	£1,625,669	£1,796,038	£0	£1,796,038	£1,789,874

Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

Table 4a - RACM Operational and Financial Performance Metrics FY 1931/32 – 1937/38

	Revenue	Surplus	Cashflow	Gross Profit Margin	Net Profit Margin (After Financing)	ROCE %	Cash Flow/ Revenue
1931/32	£998,380	£103,926	£101,136	19.17%	10.41%	3.96%	10.13%
1932/33	£1,178,512	£254,799	£173,027	30.53%	21.62%	8.04%	14.68%
1933/34	£1,800,901	£565,927	£452,500	36.63%	31.42%	14.31%	25.13%
1934/35	£1,879,903	£498,973	£161,631	31.41%	26.54%	12.04%	8.60%
1935/36	£1,752,289	£681,455	£165,401	44.02%	38.89%	15.64%	9.44%
1936/37	£3,549,042	£1,990,823	£656,468	58.14%	56.09%	41.58%	18.50%
1937/38	£3,421,707	£1,796,038	£79,711	52.49%	52.49%	34.78%	2.33%

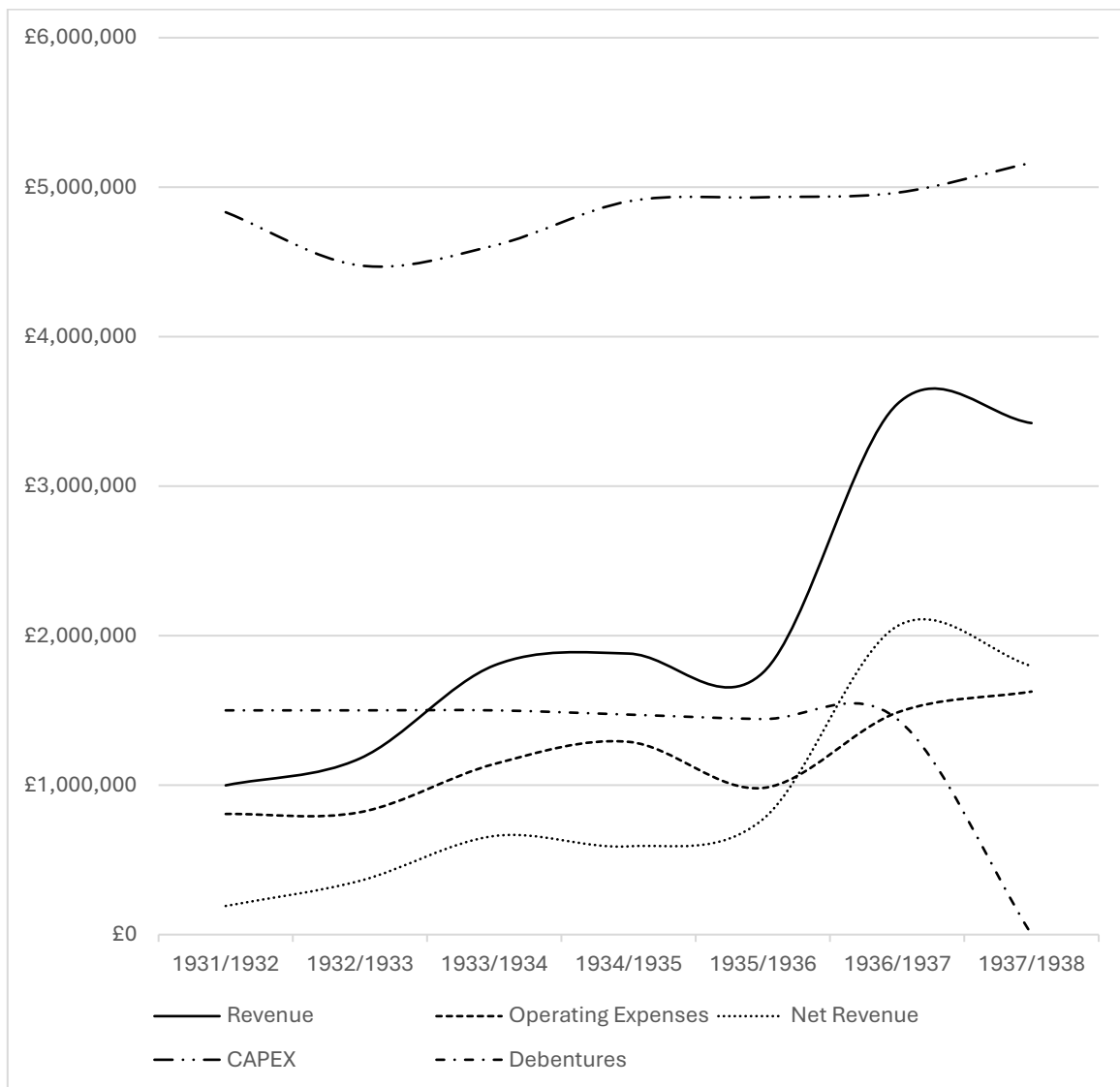
Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

The financial data reveal RACM's remarkable profitability from the outset of operations. Even in its first full year of production (1931/32), during the depths of the Great Depression, the company achieved gross profit margins of 19.17 per cent and net margins of 10.41 per cent—performance that would expand dramatically in subsequent years. The surplus grew seventeen-

fold to reach £1,796,038 by 1937/38, when gross margins peaked at 52.49 per cent. Such extraordinary profitability enabled rapid debt retirement, evidenced by the complete elimination of debenture interest payments by 1937/38, and the accumulation of substantial cash reserves exceeding £1.7 million. This financial success was predicated on the significant operational leverage facilitated by the colonial labour policies explored in the previous section. While revenue more than tripled between FY 1931/32 and 1937/38, operating expenses only doubled, creating the widening margin gap visible in the gross profit progression from 19.17 to 52.49 per cent.

The narrow difference between gross and net profit margins—converging to an identical 52.49 per cent by 1937/38—demonstrates how imperial financial privileges, referred to in the literature as the ‘empire effect’ (Ferguson and Schularick, 2006), minimised borrowing costs. At the same time, colonial labour policies suppressed wage growth among African workers while maintaining exceptionally high compensation for European staff, effectively minimising overall labour costs whilst sustaining a paternalistic regime for the white workforce, who enjoyed perhaps the highest living standards of any mining community in the world (Money, 2021).

Figure 2 – Financial Performance of the RACM FY 1931/32-1937/38

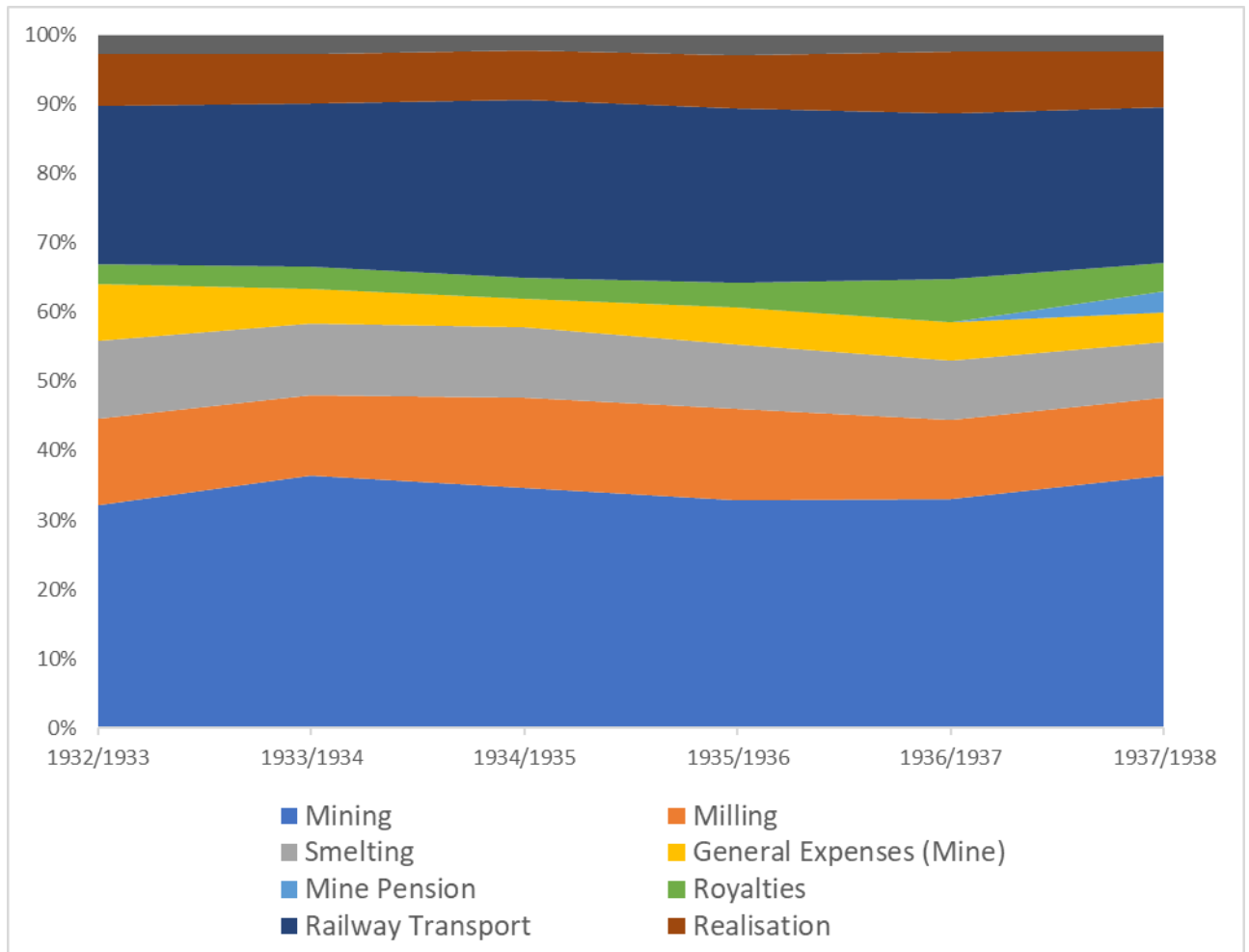


Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

As illustrated in Figure 2, the relationship between revenue and operating expenses reveals the extraordinary operational leverage achieved through colonial labour practices. While revenue shows dramatic growth from £998,380 to £3,421,707 (a 243 per cent increase), operating expenses grew more modestly from £806,953 to £1,625,669 (a 102 per cent increase), with expenses remaining remarkably stable, particularly after FY 1935/36. This divergence, combined with declining capital expenditure requirements after the initial construction phase, enabled rapid debenture retirement and significant profit accumulation. The widening gap

between the revenue and expense lines in Figure 2 demonstrates how colonial wage suppression translated directly into operational leverage, illustrating how the benefits of increased production and higher copper prices flowed primarily to shareholders rather than being distributed through higher wages or increased local investment.

Figure 3 – Cost Accounting Categories for RACM 1932/33-1937/38



Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

The modest royalty payments shown in Figure 3, averaging approximately 5 per cent of operating costs, reveal the preferential terms secured through colonial licensing arrangements. Royalties were paid to the British South Africa Company, which had acquired blanket mineral rights over the entire colony's territory in 1923 as a result of its earlier role as what Lunn describes as a 'company state' (1992: 252). These mineral rights were considered 'dubious' by

the colonial state but could not be challenged because ‘millions of pounds had been invested in the Copperbelt under the assumption that the company indeed held secure title to the mineral rights’ (Rönnbäck and Ngoma, 2024: 9–10). Consequently, the only entity to which the mining company was accountable from a practical perspective was another company whose *raison d’être* was to enable and protect an explicitly imperial political economy in central Africa, in which profit for profit’s sake was from the outset the guiding principle (Chitofiri, 2021).

The composition of operating expenses, shown in Figure 3, reveals the structural advantages of colonial mining operations. Direct mining costs, although representing the largest single category at approximately one-third of expenses, remained remarkably stable throughout the period. This stability, particularly in labour-intensive extraction work, reflects the effectiveness of colonial wage policies in suppressing labour costs. The substantial railway transport component underscores the operation’s reliance on imperial infrastructure, while the modest royalty payments—averaging only about 5 per cent of costs—demonstrate the favourable conditions created by the BSAC’s initial control of the territory and the peculiar institutional environment this produced, in which RACM interfaced not with the state but with another commercial entity that had effectively achieved regulatory capture (Rönnbäck and Ngoma, 2024).

Table 5 – Roan Antelope Copper Mines Ltd Capital Structure

Capital Component	Capital Raised	% of Par	Cash/Capital
Share Capital (1939)	£1,663,320		
Share Premium (1939)	£3,896,882		
Shares	£5,560,202	334%	
Debentures (1934)	£1,500,000		
Total	£7,060,202		
Cash from Operations (1939)	£1,789,874		25.35%

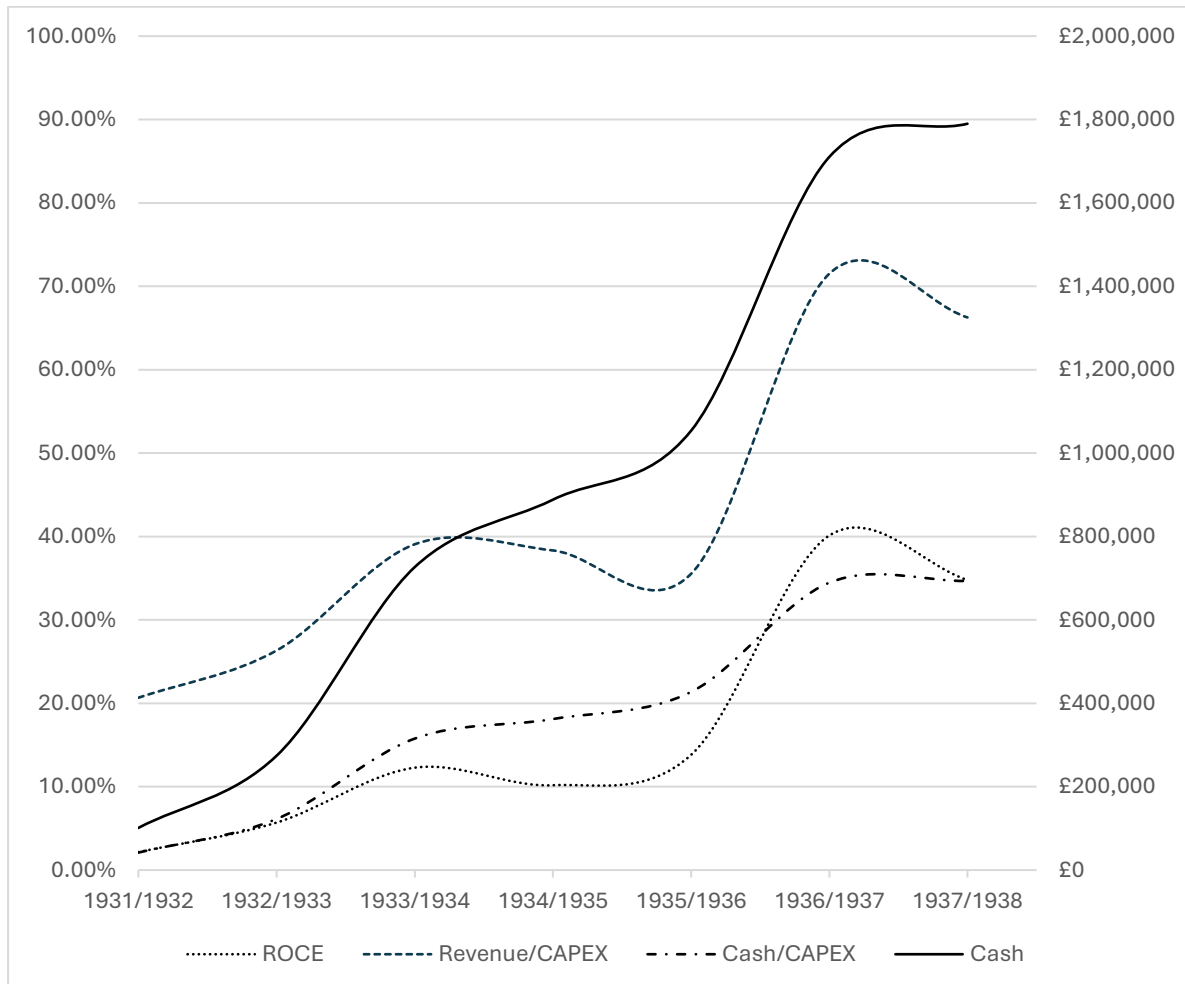
Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

The capital structure of RACM reveals the extreme degree of confidence shown by investors in this colonial mining venture. Initial shareholders committed £3,896,882 in premium beyond the £1,663,320 par value of shares—a remarkable 234 per cent premium that demonstrates extraordinary expectations of future returns. This confidence was shaped in part by what Ferguson and Schularick term the ‘empire effect’, which posits that investment within the empire benefited from lower interest rates; in this case, it contributed to a valuation of shares above par on the expectation that returns would exceed the general interest rate available to imperial capital (Ferguson and Schularick, 2006). The willingness to pay such a substantial premium reflects investors’ sophisticated understanding of how colonial privileges—from favourable licensing terms to labour policies—would translate into sustained profitability. This pattern mirrors modern emerging-market discounts or premiums associated with institutional quality and regulatory predictability (Bekaert and Harvey, 2003).

This above-par valuation contributed £3,896,882 in premium beyond the £1,663,320 par value of the shares issued. This substantial premium, combined with £1,500,000 in debenture financing, provided initial capital of £7,060,202—a sum that reflects both the scale of investment required for colonial mining operations and investors’ recognition of the exceptional returns that imperial structures could enable. As a result, the company faced no significant challenges in financing its operations from the outset. This stands in stark contrast to the experience of British enterprise operating outside the formal empire. The Beira Railway Company, which operated the critical railway between the port of Beira in Mozambique and the Southern Rhodesian border—and thus served as the primary outlet for the Copperbelt—was forced to issue debentures at heavy discounts to their nominal value (Lunn 1997, 32). This contrast illustrates the privileges enjoyed by RACM in operating within the institutional environment created by the BSAC and its effective regulatory capture (Rönnbäck and Ngoma, 2024).

By 1939, RACM’s ability to accumulate cash reserves of £1,789,874 (25.35 per cent of initial capital) while eliminating all debenture debt validated these early investor expectations, demonstrating how colonial privileges translated into sustained profitability.

Figure 4 – Operational Financial Ratios and Cash Generation



Source: Roan Antelope Copper Mines Ltd. Annual Reports, 1931/32-1937/38, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

Much has been made of the extravagance of the lives of white mineworkers on the Copperbelt, most recently by Money (2021). While the lifestyles enjoyed by these workers were certainly extravagant in the context of the wider extractive industry, financial analysis reveals a different perspective. The scale of profits compared with the capital expended on facilities and labour costs shows that, from an organisational perspective, expenditure on white labour was not particularly significant. For example, in 1937 total expenditure on white workers’ facilities and

settlements since inception amounted to only £654,635—approximately equal to the cash accumulated by the business in a single financial year. Moreover, mining expenses accounted for just over 30 per cent of total operating expenditure, while operating expenses themselves represented only 41.8 per cent of total company revenues.

The company could thus afford to pay high wages to its white workforce not because of operational necessity, but because of the extraordinary profitability enabled by imperial privileges and a racialised labour force. White workers benefited from a racially skewed remuneration structure in which African workers earned only a fraction of their white counterparts, whilst being offered basic accommodation consisting of what was described in both the annual reports and *Copper Venture* as ‘huts’ (Bradley, 1952: 22).

The company also maintained a façade of paternalistic benevolence towards African workers, illustrated well by the following excerpt in its *Copper Venture* historical chronicle of operations:

He arrives at say, Mufulira, having come with his blanket and his cooking pot as much as five hundred miles from his village near Lake Tanganika. ... Because they have no money, they walk. These arrive footsore, thin and hungry. Before any African is allowed to work he is given a thorough medical examination; after that he is given light duty and is fed such food as many of them, even in their hungriest moments, have never dreamed of. In a couple of weeks, he is a new man and the real work begins. In two or three year’s time, when he wishes to go on leave to his village, he is almost unrecognizable, for the undernourished weakling that he was has turned into a fine muscular fellow, brimming not only with health and vitality, but also with new skills and new self-confidence (Bradley, 1952: 23–4).

ROCE reached the extraordinarily high level of 40 per cent by the 1936/37 financial year, representing steady growth in just the sixth year of productive operations. Even more dramatic was the growth in the relationship between revenue and capital expenditure (Revenue/CAPEX), suggesting increasingly efficient extraction of value from colonial assets. This sustained financial performance was heavily dependent on the racialised labour system explored in the previous section. The 1937 workforce expansion illustrates this dependency

clearly: the African labour force increased by 54 per cent, from 4,144 to 6,380 workers, with the annual report noting that ‘all natives being engaged on the property, and practically all were from Northern Rhodesia’. This local recruitment reflected the colonial state’s ability to provide a steady stream of low-cost labour to support operational expansion. By contrast, the European workforce increased by only 34 per cent, with the company specifically reporting that 71 per cent came from Northern Rhodesia and the remainder ‘from within the British Empire’.³ The detailed reporting of European workers’ imperial origins, contrasted with the generic categorisation of African labour as ‘natives’, reveals how accounting practices themselves embodied imperial hierarchies while documenting the strategic deployment of white labour within the colonial extraction system.

Counterfactual Analysis of implementation of 10-shilling daily wages

Business history’s use of accounting records offers a distinctive advantage: the ability to create counterfactual projections that test hypotheses about strategic decisions and their geographical and institutional effects. For Roan Antelope, we examine a critical question: if the strike demands for fair wages had been implemented, in violation of the ‘industrial colour bar’, what would the impact have been on profitability? While such calculations are common in economic history, they remain underutilised in business history. We adapt Primmer’s (2023) methodology for analysing institutional impacts on company profitability to examine how racialised labour policies affected Copperbelt operations.

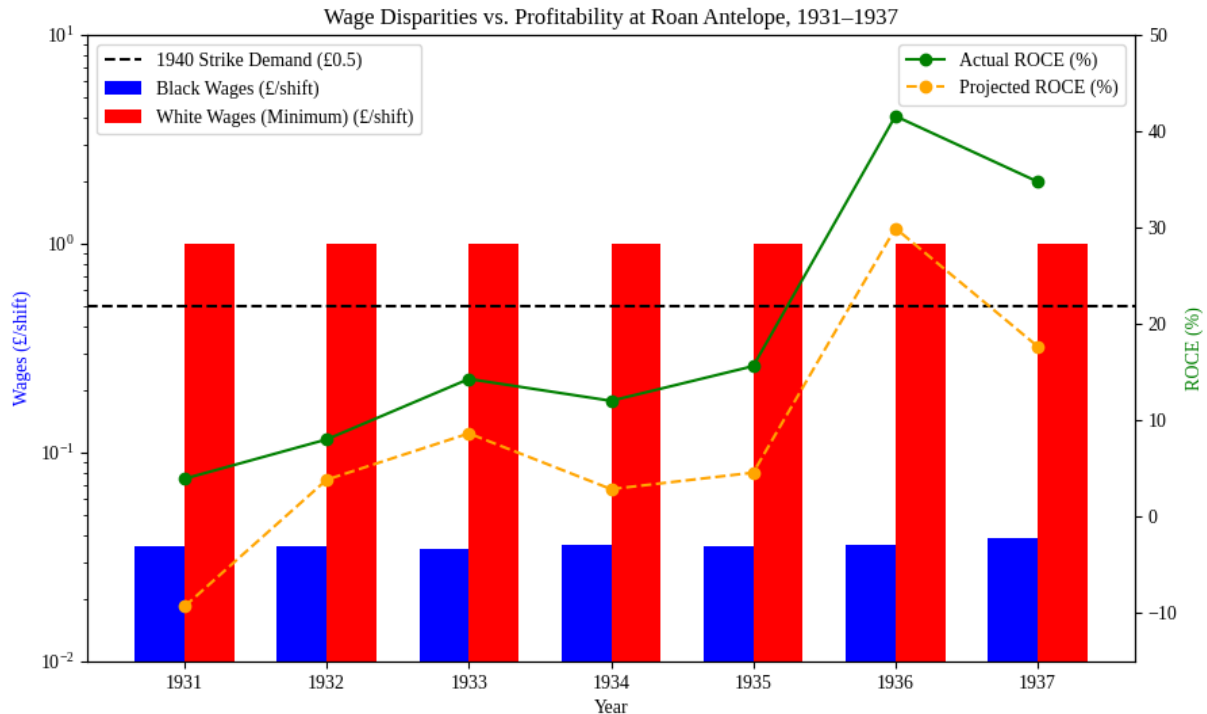
This approach will be familiar to contemporary accountants, as management accountants routinely perform comparable differential forecasts to evaluate strategic decisions prior to their implementation. By applying these management accounting techniques to accounting history, we can enrich the field while contributing methodological tools to economic and business history for analysing historical strategic choices. This case demonstrates how such emerging

techniques in business history can illuminate broader debates about the political economy of colonialism. The methodology also offers a template for examining contemporary extractive industries, where similar counterfactual analyses could reveal whether current wage disparities in African mining operations reflect economic necessity or represent a continuation of colonial-era power structures.

Table 6 – Projected Impact of implementation of strike demands on ROCE

Year	Workers	Shifts	Black Wages	Differential	Extra Cost	Projected Profit	Projected ROCE	Actual ROCE
1931	4,597	1,379,100	£0.0355	£0.4645	£640,592	-£449,166	-9.29%	3.96%
1932	1,343	403,043	£0.0355	£0.4645	£187,214	£172,585	3.86%	8.04%
1933	1,865	559,573	£0.0345	£0.4655	£260,481	£399,169	8.66%	14.31%
1934	3,227	968,025	£0.0360	£0.464	£449,164	£141,358	2.88%	12.04%
1935	3,910	1,172,907	£0.0355	£0.4645	£544,815	£226,587	4.59%	15.64%
1936	4,144	1,243,200	£0.0360	£0.464	£576,845	£1,486,616	29.95%	41.58%
1937	6,380	1,914,000	£0.0390	£0.461	£882,354	£913,684	17.69%	34.78%

Figure 5 - Racialized Wage Structure vs. Company Profitability (Actual and Projected)



The projections in Table 6 and Figure 5 demonstrate that racial wage suppression was a strategic choice rather than an economic necessity. Even under the scenario of meeting African

workers' strike demands, RACM would have maintained profitability in all but the initial year of operations, when construction costs were highest. The stark contrast between the company's actual ROCE of 34.78 per cent in 1937 and the projected 17.69 per cent under the 10-shilling daily wage demand illustrates how colonial privilege translated directly into excess profits. Annisette and Prasad (2017: 10) document how accounting practices in racialised contexts, such as plantation slavery, used race as an economic variable enabling profit extraction. By measuring the financial feasibility of equitable wages, this study reveals how RACM's accounting practices leveraged race to prioritise metropolitan shareholder value over African labour compensation. Just as Fleischman (2004: 18) argued accounting was 'complicit in sustaining slavery' argued that accounting was 'complicit in sustaining slavery', our case illustrates that it was similarly influential in sustaining profit extraction in colonial capitalist enterprises.

Importantly, white workers were not the primary beneficiaries of these savings. While they certainly enjoyed comfortable living standards (Money, 2021), the principal effect of racialised labour policies was to increase the extraction of value from peripheral operations for metropolitan shareholders. RACM provides a clear case study supporting theories of capitalist 'dependency' or 'world-system' extraction, given how directly suppressed black wages translated into profits for capitalist shareholders. (Frank and Gills, 1993). The sustained profitability under alternative scenarios undermines paternalistic narratives that portrayed racial inequality as an economic inevitability. Instead, the data suggest that approximately half of RACM's extraordinary shareholder returns were derived from institutionalised racialised labour policies.

Corporate Reporting, Corporate Propaganda and Social Washing

The company's corporate propaganda within its commissioned history, *Copper Venture*, illustrates how this profitable enterprise presented itself through a paternalistic lens toward the African population. Despite acknowledging the exploitative practices that enabled vast profit extraction through low-cost African labour, the company maintained that its operations ultimately benefited local communities. *Copper Venture* exemplifies this narrative strategy by first cataloguing the extensive luxuries provided to European workers, then immediately reframing the stark contrast in treatment as not merely appropriate but benevolent toward African workers:

A mere list of the amenities must read like a guide-book or even an advertisement, but there is no avoiding it. At each of the mines there are, for the Europeans, spacious clubs with tennis courts, bowling greens, billiards and swimming pools; eighteen-hole golf courses (with *green* grass greens), cricket fields (with *green* grass pitches), and rugby and soccer fields; modern cinemas; extremely well-equipped hospitals and excellent schools. For the Africans there are equally good hospitals, schools and clubs and "beer halls" and playing-fields, and cinemas, as well as their own market-places ... Whenever you see an unusually well-built house in a village anywhere in Northern Rhodesia, it nearly always belongs to a man who has worked on the Copperbelt ... It is probably also true to say that the mines, by giving them skills, the habit of work, and a higher standard of living, have done as much in the past twenty years to improve living conditions in the tribal areas as all the efforts of district officers. (Bradley, 1952: 22–24)

The financial performance of RACM from 1931–1938 demonstrates how accounting records can reveal the mechanics of colonial extraction in ways that challenge existing historical narratives. Analysis of operating results, expense structures, and capital arrangements shows how what we may characterise as a political economy of colonialism generated extraordinary profitability: ROCE exceeding 40 per cent, operating margins above 50 per cent, and cash accumulation reaching £1.8 million in only six financial years. These financial metrics reveal that the much-discussed extravagance of European worker conditions was, in fact, a relatively minor cost readily absorbed by colonial profit margins. More significantly, the accounting records demonstrate that racialised labour practices were a choice rather than an economic necessity—the company could have doubled African wages with minimal impact on profitability. Indeed, our counterfactual analysis shows that even when African wages rose to

fourteen times their actual level, meeting the 10-shilling-per-day demand of striking workers, the company's accounts remained highly remunerative. We may therefore conclude that—just as many have long suspected—in the case of the Copperbelt, racialised labour practices siphoned profits towards shareholders in the metropole at the direct expense of the local population.

The contrast between these financial realities and the paternalistic narrative presented in corporate histories such as *Copper Venture* is striking. What was fundamentally an exploitative extractive industry was reframed as a social good that improved migrant workers' living standards. This narrative contained elements of truth: given the stark economic disparities between the Copperbelt and the surrounding rural areas, mine employment did indeed offer superior material conditions compared with available alternatives, helping to explain why these operations attracted workers from across the region despite exploitative wages.

This case illuminates a fundamental paradox of enterprise in underdeveloped economies. When development levels are low and opportunities scarce, ostensibly unfair economic arrangements may nevertheless represent the best available option for workers, even as power remains concentrated in the hands of employers. Colonial enterprises could thus simultaneously exploit and 'develop'. This dynamic persists in modern extractive industries, where multinational corporations provide the highest-paying local employment while capturing disproportionate value from regional resources (Moses et al. 2024).

Our analysis has revealed both RACM's extraordinary profitability and clear evidence that its exploitative labour practices were strategic choices rather than economic necessities. Equally significant is how the company presented and justified these outcomes through dual channels: formal accounting records and commissioned corporate histories. This dual narrative—one numerical, one rhetorical—offers distinctive insights into how colonial enterprises managed

the tension between substantial profit extraction and the need for social legitimacy. The company's annual reports embodied imperial hierarchies through segregated asset categories and racial classifications of labour, while commissioned histories such as *Copper Venture* constructed elaborate justifications that reframed extreme profit extraction and institutionalised racial wage inequalities as forms of benevolent colonial development.

This contrast between financial reality and corporate narrative represents an early example of what we might now term 'social washing', analogous to contemporary 'greenwashing' in environmental contexts (Laufer, 2003). Analysis of these narratives reveals how accounting practices documented colonial exploitation while corporate histories simultaneously worked to legitimise it. This constitutes one of the earliest documented instances of systematic corporate social responsibility rhetoric within the historical record. The sophistication of RACM's dual narrative strategy suggests that, under the political economy of colonialism, corporations had already begun to refine techniques for managing social legitimacy while maximising profit extraction.

The company's balance sheet embodied colonial hierarchies through its systematic segregation of European and African infrastructure assets. This accounting choice reflects more than mere record-keeping; it represents the institutionalisation of racial segregation through financial reporting practices. By maintaining separate asset categories, the accounting system both reflected and legitimised differential investment patterns while creating an auditable trail of colonial resource allocation. This segregated reporting structure enabled shareholders and management to track relative capital allocation between European and African facilities, effectively creating what Miller and O'Leary (1987) would recognise as technologies for constructing 'governable persons', with black workers rendered calculable and controllable through accounting categorisation. This practice appears to have been unique to the central

African Copperbelt, as annual reports of comparable copper enterprises elsewhere—most notably in Chile—do not exhibit the same meticulous segregation of asset classifications.⁴

The quantitative evidence presented in Table 3 starkly illustrates these practices: in contemporary terms, £336,900 (2024 income value) was invested in housing and facilities for each white mineworker, compared with only £13,060 for each African worker. This 25.78:1 investment ratio demonstrates how accounting practices both reflected and reinforced racial hierarchies. The balance sheet did not merely mirror colonial attitudes but actively helped construct them through differential resource allocation. Yet, given contemporary cultural norms, this disparity may have been perceived as generous, which may help explain the paternalistic perspectives evident in commissioned corporate propaganda. What remains clear is that the per capita expenditure on white mineworkers supports characterisations of Copperbelt white workers as exceptionally privileged (Money, 2021). Providing empirical quantification of these firm-level inequalities represents a significant contribution to Copperbelt historiography, addressing a notable gap in the quantitative analysis of colonial extraction practices.

Figure 6 – Except from Balance Sheet for FY 1936/37

FIXED ASSETS—	
SUNDRY INVESTMENTS, at nominal valuation	
EXPENDITURE ON DEVELOPMENT AND EQUIPMENT OF PROPERTIES, at cost, less proceeds of sales—	
Mine Development and Equipment	1,386,046
Concentrator Plant, Machinery and Equipment, including Structures ...	924,834
Smelter Plant, Machinery and Equipment, including Structures	585,848
Power Plant (including Coal Pulverising Plant) and Structures	775,531
Permanent Railway System and Rolling Stock	178,174
Workshops and Equipment, including Structures	128,502
General Surface Plant and Sundry Buildings	179,741
Township	651,635
Native Compound and Hospital	149,784
PROPERTIES, at nominal valuation, represented by Mining Leases and Special Grants in Northern Rhodesia	

Source: “Roan Antelope Copper Mines Ltd – Report of the Directors for 1936/1937”, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>

The segregated presentation of assets must be understood in terms of its multiple audiences and strategic purposes. The balance sheet’s categorisation served distinct but overlapping stakeholder groups simultaneously. For London-based investors, the clear segregation of European and African facilities provided reassurance about the maintenance of imperial racial hierarchies in distant operations while demonstrating that investment in the welfare of the local population remained minimal. Yet these modest allocations were nevertheless sufficient to enable ‘social washing’ narratives for more liberal metropolitan audiences targeted by publications such as *Copper Venture*. The detailed breakdown of industrial assets signalled careful stewardship of capital investment, while the segregated reporting of social infrastructure confirmed adherence to colonial social norms.

For colonial administrators, the balance sheet verified appropriate investment in European settlements, which was essential for attracting and retaining skilled white labour. At the same

time, the minimal investment in ‘Native Compound’ facilities—presented matter-of-factly as a separate category—normalised the disparate treatment of African workers within formal financial reporting. This segregated approach is particularly significant given that operational requirements alone offered no compelling reason for such detailed separation of social investments. The choice was clearly driven by stakeholder-management considerations rather than accounting necessity.

In this way, RACM’s corporate reporting treated black workers as a ‘resource to be utilised for the purposes of commerce’, maximising profit extraction in ways that are—at least conceptually—not dissimilar to the differential accounting treatment used by plantation owners, where accounting practices were similarly ‘deployed to monetise slave populations’ (Annisette and Prasad, 2017: 10).

The reporting approach reflects a sophisticated understanding of stakeholder expectations within the imperial context, illustrating how financial reporting—while fulfilling formal requirements—also performed informal social functions that reinforced prevailing cultural and social norms. The balance sheet not only communicated financial position but also signalled compliance with colonial social structures to multiple constituencies: British investors, colonial administrators, and fellow mining enterprises. The formalisation of racial segregation within accounting categories transformed what might otherwise have been recognised as problematic inequality into an apparent business necessity.

The inclusion of ‘hospital’ within the ‘Native Compound’ category reveals the company’s instrumental priorities and demonstrates the power of accounting language. By signalling investment in health infrastructure for African workers, the company communicated its view of the African labour force as human capital requiring maintenance in order to maximise productive contribution. This instrumentalist approach to African health is echoed in *Copper*

Venture, where African worker welfare is framed in terms of physical transformation from ‘undernourished weakling’ to ‘fine muscular fellow’. The conversion of African bodies from weakness to strength served obvious strategic benefits for company operations and profitability, just as maintaining workforce health through the ‘Native Compound and Hospital’ served corporate interests rather than humanitarian goals (Bradley, 1952: 22–24).

This parallel between balance-sheet categorisation and corporate narrative reveals how both accounting practices and corporate communications viewed African workers primarily as productive assets requiring maintenance, rather than as beneficiaries of social investment. The representation of company actions in both corporate propaganda and annual accounts aligns with Power and Brennan’s analysis of the British South Africa Company (the recipient of RACM’s royalty payments), which they describe as presenting ‘imperial white supremacy ... as benevolence’ (Power and Brennan, 2022: 20).

his instrumentalisation of African health and bodies through accounting language was reinforced by extensive corporate communication programmes designed to present company activities in the most favourable light. The contrast between balance-sheet reality and corporate narrative becomes particularly stark when examining claims about social impact. In *Copper Venture*, the company asserted that ‘For the Africans there are equally good hospitals, schools and clubs and beer halls and playing-fields, and cinemas, as well as their own market-places’ (Bradley, 1952: 22–24). Yet the balance sheet reveals a starkly different reality: a mere £149,784 allocated for all African facilities compared with £651,635 for European amenities, despite African workers vastly outnumbering their European counterparts. This disconnect between financial evidence and corporate narrative represents an early and sophisticated form of what we might now term ‘social washing’.

The company's approach was particularly sophisticated in how it presented African development. Rather than denying disparities outright, it reframed them through a developmental lens, suggesting that any improvement in African conditions, however minimal, represented meaningful progress—a rhetorical strategy that parallels contemporary debates about the impact of extractive industries in Africa (Moses et al., 2024). This approach is evident in *Copper Venture's* emphasis on how mine employment transformed 'undernourished weaklings' into 'muscular fellows', while conveniently obscuring that this physical transformation served primarily to enhance labour productivity rather than to promote African welfare. Similarly, the balance sheet's careful segregation of facilities helped normalise these disparities by presenting them as natural business categories rather than as conscious choices about resource allocation.

By the 1950s, discrepancies in the company's accounts regarding substantial profits had begun to attract the attention of the white workforce. Although the racialised labour system was a principal factor enabling their unusually affluent lifestyle, white workers nevertheless increasingly used the company's reported profits as a basis for organising for improved pay:

The apparently large gross profits of the Copper Mining Companies are bound to attract the attention of employees. I must emphasise what so many other chairman to-day are emphasising, that the word " profit " is often misleading. For an industry to maintain its productive power and efficiency year after year requires the provision of very large sums which have to be ploughed back into the business. These cannot be charged to working costs and have to come out of the apparent profits, whereas, in fact, they are nothing but an additional operating cost, which under more enlightened accounting system would show an increase in cost correspondingly smaller so-called profit.⁵

This defensive response represents a significant shift in corporate communication strategy. Having previously used transparent profit reporting to attract investment and demonstrate colonial success, the company now found itself arguing that these same profits were 'misleading'. This episode demonstrates how accounting information, once published, could be repurposed by different stakeholders in ways that challenged corporate interests. Moreover,

it reveals the peculiar position of white workers who, while benefiting from racial wage disparities, nevertheless regarded themselves as entitled to an even greater share of the documented profits. The chairman's appeal for an 'enlightened accounting system' that would reduce reported profits illustrates how the very transparency that had once served corporate interests had come to threaten them.

This episode aligns closely with disclosure theory, which emphasises that corporate transparency is a strategic act shaped by cost-benefit considerations (Dye, 1986; Verrecchia, 2001). RACM's experience illustrates how voluntarily disclosed information, once in the public domain, can be appropriated by different stakeholder groups in ways that undermined managerial interests (Healy and Palepu, 2001). The chairman's call for an 'enlightened accounting system' that would reduce reported profits reflects an attempt at ex post disclosure management, consistent with the view that firms seek to minimise the proprietary costs of transparency. In this sense, the contest over profit disclosure reveals how accounting numbers functioned not only as economic measures but also as political instruments within the colonial labour regime, mirroring the broader pattern in which ostensibly neutral reporting practices served to reinforce, legitimise, and at times destabilise the political economy of colonialism. Ultimately, just as segregated accounting categories served ideological functions, so too did profit disclosures.

Conclusion

This study of Roan Antelope Copper Mines Ltd's operations from 1931-1939 demonstrates how accounting records can illuminate the mechanics of colonial extraction while challenging established historical narratives. Through systematic analysis of corporate financial reports and communications, we have revealed the extraordinary profitability enabled by imperial

structures and the strategic nature of exploitative labour practices in Northern Rhodesia's Copperbelt.

Our quantitative analysis reveals the scale of colonial extraction with unprecedented precision. RACM achieved exceptional financial performance, with Return on Capital Employed exceeding 40 per cent by 1937/38, operating margins above 50 per cent, and cash accumulation reaching £1.8 million within six years of operations. These metrics demonstrate how imperial privileges—ranging from favourable licensing arrangements to racially stratified labour policies—translated directly into sustained profitability for metropolitan shareholders. We show how wage inequalities underpinned this success and enabled extraction from the periphery to the metropole. Our counterfactual analysis confirms that these disparities were strategic choices rather than economic necessities: RACM could have increased African wages fourteen-fold to meet strike demands while maintaining substantial profitability in most operational years.

Corporate communications reveal sophisticated strategies for managing the tension between extraordinary profitability, wage inequality, wealth extraction, and social legitimacy. Commissioned histories such as *Copper Venture* constructed paternalistic narratives that reframed exploitation as benevolent development, representing an early form of what we now recognise as 'social washing'. The combined use of accounting to document extraction and corporate narratives to legitimise it illustrates how colonial enterprises refined techniques for managing social legitimacy long before contemporary extractive industries adopted similar practices (Lassou and Hopper, 2016; Moses et al., 2024).

Our application of counterfactual analysis to historical accounting records demonstrates how management accounting techniques can inform strategic decision-making in business history. This methodology provides tools for distinguishing between economic necessity and corporate

strategy, and it can be applied both contemporarily and historically to reveal whether wage disparities and other variables reflect market forces or deliberate corporate policy. The integration of quantitative financial analysis with critical discourse analysis offers a template for future research in accounting history, particularly in contexts where issues of power, exploitation, and resistance intersect with corporate financial reporting.

The patterns documented in this study resonate strongly with contemporary debates about corporate accountability in extractive industries (Lassou and Hopper, 2016; Moses et al., 2024). Modern multinational corporations operating in resource-rich African nations continue to use accounting practices to manage stakeholder perceptions while extracting disproportionate value from local resources. The sophisticated stakeholder-management strategies developed by RACM in the 1930s—using financial transparency to attract investment while deploying corporate communications to justify inequalities—have direct relevance to contemporary corporate social responsibility rhetoric.

While this study focuses on historical analysis, the patterns of extraction and inequality documented here continue to shape outcomes for communities across resource-rich regions of Africa. The wealth accumulated by RACM's shareholders came directly at the expense of African workers and communities, who were systematically excluded from the benefits of their own mineral resources through racially determined wage policies. The sophisticated communication strategies revealed in this study—particularly the reframing of exploitation as development—remain influential in contemporary debates about foreign investment and economic development in Africa (Lassou and Hopper, 2016; Moses et al., 2024).

The extraordinary profitability recorded in RACM's financial statements—achieved through systematic racial wage inequality enabled by imperial legal structures—challenges the notion that colonial extraction represented economically inevitable arrangements. The evidence

presented here suggests that wage inequalities within colonial mining operations reflected deliberate corporate strategies designed to maximise profit extraction. This historical analysis contributes to contemporary debates about corporate power and accountability by demonstrating that the sophisticated techniques used to maintain social legitimacy while securing significant periphery–metropole wealth transfers were already established corporate practices by the 1930s.

Notes:

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- ¹ Charter of the British South Africa Company of 1889, <https://www.rhodesia.me.uk/charter/> accessed 05/11/2024
 - ² “Mufulira Copper Mines Ltd – Report of the Directors Submitted to the First Ordinary Meeting 1931”, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0633xx/063313/about.en.html> - accessed 03/11/2024; “Roan Antelope Copper Mines Ltd – Report of the Directors Submitted to the First Ordinary Meeting 1931”, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html>
 - ³ Roan Antelope Copper Mines Ltd. Annual Report for 1936/37, p. 14, ZBW Press Archive, <https://pm20.zbw.eu/folder/co/0590xx/059088/about.en.html> - accessed 04/11/2024
 - ⁴ See for example the annual reports for the Esperanza Copper and Sulphur Company Ltd which ran the Angostura and Esperanza mines in Chile, the most important source of the metal outside of central Africa in the global south. <https://pm20.zbw.eu/mirador/?manifestId=https://pm20.zbw.eu/iiif/folder/co/057203/manifest.json> accessed 01-07-2025
 - ⁵ Roan Antelope Copper Mines Limited, *Truth*, 14 November 1952

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