



FACULTY OF INDUSTRIAL TECHNOLOGY
DEPARTMENT OF TEXTILE TECHNOLOGY

SPECIAL COLLECTION
LIBRARY USE ONLY

THE IMPACT OF LIBERALISATION OF COTTON MERCHANTING ON THE ZIMBABWEAN TEXTILE INDUSTRY

By

ANDREW MUKURAZITA

NOO3 1565X

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS OF THE BACHELOR OF TEXTILE
TECHNOLOGY HONOURS DEGREE

BULAWAYO, ZIMBABWE

MAY 2007

Academic Supervisor: Dr L Nkiwane

LIBRARY NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY P.O. BOX 346 BULAWAYO ZIMBABWE		
DATE	ACCESSION	CLASS No
30/04/12	07/296	T61630 MUK



ABSTRACT

Prior to market oriented economic reforms of 1991, Zimbabwe pursued an import substitution development strategy and imposed several controls on trade, foreign currency flows and exchange rates. The government also crafted heavy domestic industry protectionist policies and legislation. However this led to serious problems such as industrial inefficiency, low productivity, market distortions, public sector decay and drying up of foreign currency reserves. This forced Zimbabwe to accept market reforms and trade liberalisation was a key component of these reforms.

As a result, the government owned parastatal, the Cotton Marketing Board (CMB), which had the monopoly in cotton merchandising was deregulated in 1994 and the cotton merchandising sector was opened to private players so that they participate.

This development led to dramatic changes in the dynamics of the local textile industry, as Zimbabwe is primarily a cotton based textile country.

This research project therefore looks at the impact of the liberalisation of cotton merchandising on the Zimbabwean Textile Industry and how the present scenario can be modified in order to benefit the struggling local textile sector. It consists of five chapters including the introduction and the research conclusion. At the end is a list of recommendations that were deemed to be necessary by industry stakeholders and experts when research fieldwork was conducted.