

object of increasing envy, suspicion and dislike.

Post-independence regulations

When Kenya, Tanzania and Uganda gained their independence during the early 1960s, Asians who could prove that they and at least one of their parents had been born in East Africa were automatically eligible for local citizenship. Those who did not so qualify were given the opportunity to apply for citizenship. But this meant surrendering their British nationality and most Asians were reluctant to commit themselves completely to the new nations. A minority applied for local citizenship, others left, but the majority remained, with British passports.

The newly-independent governments soon came under popular pressure to end the Asian domination of commerce and their preferred position in the civil service. Each government has pursued its own path to this end.

In Kenya thousands of expatriate and Asian civil servants were replaced by native Kenyans. With the aim of "Kenyanizing" commerce and industry, the Government passed in 1967 an immigration and a trade-licensing act that required non-citizens to apply for work permits in order to hold or obtain jobs. Commercial operations by non-citizens were restricted to certain parts of the country and certain categories of goods. Although the Government formulated these controls on the basis of citizenship rather than race, it was the Asian community that was primarily affected. When 15,000 Asians left Kenya early in 1968, they received international attention. The Kenyan Government was concerned about the decline in local business confidence as a result of the exodus and the unfavourable effect that it might have on foreign investment and tourism. It sought to reassure the Asian community by freely issuing work permits to skilled Asians and postponing the implementation of the trade-licensing act. Since then, President Kenyatta has sought to maintain a balance between the conflicting demands of the economy and of popular opinion, which demands accelerated Africanization policies.

Legislation affecting non-citizens was also introduced in Tanzania. There, however, nationalization played an important part in official policy. A few Asian agricultural estates and commercial holdings were nationalized in 1967, together with several foreign-owned concerns. The Government also assumed direct control of the major part of the import-export trade and the wholesale-trade areas traditionally

dominated by Asians. In 1971, it imposed strict exchange controls to halt the outflow of capital and nationalized all rental property valued at more than £5,000 (\$14,000). As in the case of Kenya, the new measures avoided any direct reference to race, but it was the Asians who were affected, in virtue of the fact that they were the country's property-owning class. Some 20,000 Asians left the country as a result of the measures and the Asian population fell to 50,000. For the most part, those who remained possessed much-needed skills that were in short supply.

Entrenched in Uganda

It was in Uganda that the Asians were most strongly entrenched. It had been recognized as early as the mid-1930s that unless the colonial administration intervened, Asian talent and money would permit them to extend their control over the economy, while native Ugandans remained primary producers in the agricultural sector. Accordingly, in 1938 non-African traders were confined to existing areas of activity. By the mid-1940s, African groups mounted a campaign demanding participation in the cotton-ginning and coffee-processing industries, which were then almost exclusively controlled by Asians. When riots broke out in 1948 and again in 1952, many rural Asian traders moved into the urban centres and, in the spring of 1955, African leaders organized a boycott of Asian shops in Kampala and some shops were bombed.

In spite of this, Asian traders continued to dominate the commercial sector. They were not only more experienced, but they could draw on sources of credit readily available to Africans. Because of this, the small, service-type industries, which were almost exclusively operated by Asians who ran the garages, bakeries and furniture factories and the profitable timber, oil and maize mills. This situation continued after independence in 1962, in part as a result of Government policies which concentrated on the development of larger enterprises through the state-owned Uganda Development Corporation.

Although their predominance in commerce and industry was a continuing source of popular grievance, there was little official pressure on the Asians until 1970, when the Government passed licensing and immigration legislation similar to that which had been introduced in Kenya. President Milton Obote also announced that the Government intended to place responsibility for imports and exports and the domestic wholesale trade in the hands of public corporations and that it would

Pressure to end Asian domination in civil service and commerce

Kenyatta seeking to maintain delicate balance between economy, popular opinion