After Shaking his hand, start counting your fingers. Trust and Images in Indian business networks, East Africa 1900-2000, *Itinerario* 18 (3) 2004, 70-88.

G.Oonk Erasmus University Rotterdam

Introduction¹

In this study I examine how 'ethnic' trading networks are created and recreated, but may also fracture and fall apart. This occurred among some Indian groups in East Africa, who initially strengthened their economic and cultural ties with India by maintaining intensive trade relations and taking brides from the homeland. However, after just one generation, their economic focus was on East Africa, Japan and the UK. Many of today's well-off Indian businessmen in East Africa show little economic interest in India. In fact, Gujarati businessmen in East Africa created new, rather negative images of their counterparts in Gujarat. During the last century, their overall image of Indians in India was transformed from one of a 'reliable family or community members' to one of 'unreliable, corrupt and, untrustworthy 'others'.

In the literature on 'diasporas', there is a tendency to explain the economic success of Chinese, Indian or Jewish businessmen in terms of 'trust' based on ethnic background and trading networks. The major aim of a 'network' is the circulation of capital, credit, information, goods and produce, men and women. Generally speaking, an ethnic network does not trade inside information and does not exchange women with other networks. Nevertheless, trade, credit, and information may be bought from other networks. More often than not, networks are seen as a rather static informally organised system, which is used as a tool by its various members. On the whole, we assume that notions of the same religion, language, and regional background reinforce concepts of 'trust', mutual aid and shared values among migrant traders and businessmen. Within these networks, there is a strong emphasis on an ethic of hard work, the moral and economic support of each other, and the gift of a superior 'business mind'. In most literature the system, itself is not questioned, reservations are expressed about how the members of a business community take advantage from it. As a rule, this type of literature tends to emphasise the 'success stories' in migrant business communities.²

This is particularly true for the literature on South Asians in East Africa where the economic and political contributions of Indians to the countries account for many pages in this vast and growing literature. Despite its prolixity, this literature provides a poor explanation of the success of Indian business communities in East Africa. Most of it stresses the importance of hard work, long hours of labour, community support in setting up new businesses or in providing credit, and the so-called entrepreneurial skills of South Asian traders and industrialists in East Africa.³ Recently, the long list of these often teleological explanations has been extended by the 'diasporic' argument, in which the economic success of diasporic groups is seen to result from the mutual pooling of resources, the transfer of credit, the investment of capital, and the provision of services among family, extended kin network or members of the same group. The decisive argument within 'diaspora studies' seems to be the role of the 'motherland', which is often seen as an endless source of capital, labour and a reference for the maintenance of the ethnic identity. In many definitions or descriptions of the concept of 'diaspora', the homeland, motherland or heimat is considered to be of overwhelming importance to the migrants in diaspora. The relationship with the motherland is described as a cultural bond experienced by almost all migrants. Many studies emphasize that the religious, cultural, and often economic orientation towards their country of origin plays an important role in the identity of migrants in a foreign country. As Clifford has put it, 'the language of diaspora is increasingly invoked by displaced peoples who feel (maintain, revive, invent) a connection with a prior home (...). Robin Cohen assumes 'a collective memory and myth about the homeland' and the 'development of a return movement' to be among the common features of a diaspora. 6 In this concept, institutions that endeavour to control everyday activities, like for example religious practices, the education of children, and the organising of marriages reinforce diasporic notions. In this research, however, I found that the homeland is becoming less and less important to some Asian Africans, either as an economic source or as a cultural point of reference. The images of the homeland may be important to many overseas migrants, but not for Hindu Lohanas in East Africa. Cogently, this diaspora literature fails to see the shifting loyalties of kinship, caste, and community, and in particular, the shifting importance of the role of the native soil, or homeland.⁸

The Indian government also tends to overestimate the importance of Indian 'diasporic feelings'. In its recently published Report of the High Level Commission, it states that 'Since India achieved Independence, overseas Indians have been returning to seek for their roots and explore new avenues and sectors for mutual beneficial interaction from investment to transfer of economic skills and technology, to outright philanthropy and charitable work. This trend has become more marked in the last decade, as the Indian economy has opened up, giving rise

to a new range of opportunities for emerging generations.' This is, in fact, far from true and the consequence of wishful thinking. The main aim of the commission is to explore the possibilities of improving the relationship between India and 'Persons of Indian Origin' [PIO] and 'Non Resident Indians overseas [NRI]'. This is, of course, the result of the disappointment felt by Indian Government in the role played by PIOs and NRIs, so far.

In this article, I argue that there is a need to study 'the importance of the motherland' as a local 'bottom-up' process. Local, in the sense of a well defined geographical and historical area and 'bottom-up' in the sense that I choose to take the perspective of the 'agent', the one who creates, experiences and mythologises the motherland, or not. By taking this perspective, we may build up a view of how the 'motherland' is defined by the *creators* of ethnic networks themselves. This may provide us with insights into the economic and cultural agenda of individuals as well as groups in a fast changing economic and cultural environment. This research was based on the life histories of twenty Hindu Lohana families who have lived in East Africa for three or more generations. 10 The results of this research are particularly opposite for those families who settled between the 1880s and the 1920s in East Africa. 11 Most interviews were conducted in Dar es Salaam, the Coastal Region, and Nairobi. The focus is on two interrelated successful Gujarati business families who made their wealth in East Africa, the Hindu Lohana families of Sunderji Nanji Damordas and Keshavji Anandji. Within these two families, there has emerged a remarkable change in their social and economic relations with India. India used to be the most important economic business partner and supplier of brides to the male members of these families, but after Indian Independence India had become economically insignificant for these families, while at the same time they developed a marital preference for Indian women who were raised in East Africa. 13 As the picture presented is representative of the Hindu Lohana business community in East Africa as a whole, it is by no means a definitive picture of the South Asians in East Africa. 14 The Muslims (including I thnasheries and Khoja I smailis) especially, have followed a different pattern which is beyond the scope of this article.

Below, I describe how the economic focus of Gujarati businessmen in East Africa changed from an orientation towards India to an orientation towards East Africa, Japan, the UK, Canada, and the US. Many well-off Indian businessmen in East Africa show little economic interest in India. The once favoured Indian counterparts in Gujarat have had to cede their place in the minds of Indians in East Africa. Gujarati businessmen in East Africa have created new, rather negative images of their former partners in Gujarat. The overall image has been transformed from one of 'reliable family or community members' to one of 'unreliable, corrupt, and untrustworthy others'. Simultaneously, the image of India changed from that of 'the beloved motherland' to one of an 'overcrowded,

stinky and unorganised and underdeveloped country'. Most significantly, the growing preference of Gujarati businessmen for marrying Gujarati women raised in East Africa and, at the same time, an increasing economic orientation towards the West have cut off the economic and kinship bond with India.

The transformation of images and notions of trust within the Gujarati business network has to be seen within the broader perspective of social, economic, and political change. The growth of the Indian settlement in East Africa was strongly related to the British Empire. Following the Independence of India (1947) and of the East African countries (1960-61), it is said that South Asians had to make up their minds and 'choose' to where they 'belonged'. In fact, I argue, by then they had already made up their minds and tended to focus on the West, especially the UK. Most informants argued that after the 1960s, they had no emotional (family) or economic bonds with India and therefore they tended to focus on the UK. This may be true for many, but they had hardly any more business or family relations with the UK or the West. In other words, the change of orientation from India to the West was a choice which had to be legitimised. And the emergence of negative images of India and towards Indian businessmen in India has to be seen within this framework.

The article is built on four sections. First, we introduce the general migration history of Indians in East Africa. In this section, the focus will be on the absence of Hindu women in East-Africa. This is followed in the second section of the life histories of early Lohana migrants who settled in East-Africa between 1880 and 1920. Here, the main aim is to show how Indian families literally lived in two worlds; India and Africa. This, dual life, changed in the period after the 1920s, when increasingly Indian businessmen settled with their wives and families, the theme of the third section. In the period between 1920 and 1960, we see a shift in economic and social orientation of Hindu Lohanas from India to Africa and the UK. In the fourth and concluding section, we provide some possible explanations for this shift and the changing attitude of Hindu businessmen in East Africa towards their counterparts in India.

Migration and Settling of Indians in East Africa.

In the nineteenth century trade between South Asia and East Africa was constrained by the rhythm of the monsoons. From November to March the well-known beautiful dhows sailed from West India to East Africa, and from April to October the return journey was made. The trade in cotton textiles, ivory, and spices was profitable, but dangerous. Many traders did not return home safely. The rough sea, pirates, and various diseases claimed the lives of many traders and early adventurers.

It was only in the late nineteenth century that some Indian traders started to settle in Zanzibar and on the East African Coast. These early Indian settlers are nowadays seen as the pioneers of many South Asian family business houses in East Africa, such as that of Nanji Damordas, who came accompanied by his father at the age of ten, to look after some business opportunities in Zanzibar. Most of these early migrants were asked to join the flourishing family businesses or to assist in the businesses of community members. Initially, they travelled back and forth to India, but slowly they settled in East Africa and invited their brothers and sisters, wives and children to join them.

The general migration history of Asian East Africans is well documented. Long before East Africa was 'discovered' by Europeans, Zanzibar and the East African Coast were well-known trading destinations for Arabs and South Asians. These trading relations were strengthened during the establishment of the British Empire in East Africa. In the period between 1880 and 1920, the number of South Asians in East Africa grew from about 6,000 to 54,000. These included Hindus (among them well-known business families like Patels, Lohanas, and Shahs), Muslims (especially I thnasheries, Bohras, I smailis), Sikhs, Goans and others. 16

The various Asian business communities that arrived in the late nineteenth century developed far more intimate social and economic relationships with each other than they had done in India. These linkages resulted in new business habits, marriage policies, and forms of capital accumulation. Their shared knowledge of the Gujarati language and their minority status (never more than two per cent of the total population in East Africa, somewhat higher in the main trading ports) in a new society played an important role in this process. Despite the development of intimate socio-economic links, inter-caste marriages and marriages between Hindus and Muslims were still uncommon.¹⁷

The Muslims settled with their families earlier than the Hindus owing to the Hindu taboo on travel overseas. Upper-caste Hindu men considered Africa to be 'alien' and 'unsafe' for women, and believed that women would be better cared for if they stayed behind in their own extended households in India. Owing to the economic and social uncertainty in East Africa, most Hindu women remained behind in India to look after their parents-in-law, children, and property, and to supervise of their children's education. The unmarried Hindu men generally went back to India to marry, and their wives stayed behind from the beginning with the men making frequent trips back and forth. Otherwise, the women came to the East African Coast for a few years, returning to India for childbirth, where they generally remained for ten to twenty years until their children had finished their education. Otherwise,

The Sultan of Zanzibar, Seyyid Bargash, must have been aware of this as he encouraged Hindus to bring their wives to his realm. In the early 1880s he is reported to have sent his private vessel to welcome the first Hindu woman in

Zanzibar and gave her a reward of Shs 250/-. As a pledge of his good intentions, he promised to turn Zanzibar's Old Fort into a residence for the wives of merchants and offered to equip it with water pipes fitted with silver taps to ensure that Hindu women need never appear in public.²¹ This occurred precisely at the time the Hindu community in Gujarat revolted successfully against Brahmin priests and religious customs which were cramping their mercantile activities and making overseas commerce difficult.²² All these activities paved the way for Hindu migrants and settlers in the late nineteenth and early twentieth century. A new (in fact very old) world was to be discovered.

Marriage, money, and markets, 1880-1920.

The migration history of Sunderjibhai follows the well-trodden pattern migration history of Hindu Lohanas in East Africa. In 1916, at the age of ten, he arrived in Zanibar with his father, Nanjibhai Damordar. They were asked to look after a shop of a relative, Kesawji Dewanji, whose sons did not want to settle in East Africa and had returned to India.²³ At an earlier stage, one of Nanjibhai's younger sisters had already married a Lohana Indian (same jati) in Uganda.²⁴ He traded in 'everything where money could be made'.

At the beginning of the twentieth century, the main goods in which South Asians traded included textiles, garments, ivory, gold, and foodstuffs such as maize, beans, and grains. Textiles and garments were imported from India, whereas ivory and gold were sold in India. Most foodstuffs were bought and sold locally. In addition, some relatively well-off families were involved in a form of banking. Most goods sold to (mainly Indian and Arab) traders up-country were sold on a 90 or 120 day credit, with an interest of between six to nine per cent per annum. Thus, the profits of these traders included a profit on sales as well as a profit on the advancement of money. Some bigger families exchanged 'hundis' (bills of exchange) with traders in Bombay, Zanzibar, Muscat, and Dar es Salaam. This is often seen as an early and sophisticated way of banking. Keshavji Anandi [99 years, Hindu Lohana], the grand old man of the Anandji family, recalled:

My grandfather had all kinds of connections with Bombay, Porbandar and Muscat. In Porbandar we had some relatives who looked after the interest of my grandfather. In the same way, he had his brother-in-law in Bombay, who looked after the family business interest at that place. Now, whoever cashed the hundi in say Dar es Salaam, they could travel to Bombay or Porbandar and got the money there and then. Within the family trust, we would arrange the balances. That went on for a long time. In fact, we made a lot of money on the commission of writing and cashing hundis next to our trading activities.²⁶

The most important point here is that the family business was represented by family members in various cities in various parts of the world. These networks existed because of the thriving active communal relations and marriage patterns. Some family members had migrated to East Africa, whereas others did not leave I ndia and looked after the 'I ndian' part of the business interest, including real estate and land. The family and community relations were reinforced by the activities of traders and messengers who often made a trip once a year in the name of the family eldest to inform themselves about the family business. However, after settling with their wives many Hindu Lohana in East-Africa were very reluctant to make the journey to I ndia once again.

In those days, some migrants visited India 'when it was really necessary', for example to attend marriages or funerals or because of the immediate health problems of family members. Many of my elderly informants in East Africa do not recall their fathers and grandfathers visiting India often, except for the following reasons: to find a suitable bride; to get medical treatment; to retire and to have a peaceful life back home; and have his ashes scattered above the Ganges. Most elderly Hindu migrants recalled, 'We seldom went back, but we had good business relations with India'. This is evidence that the typical Indian family networks emerged, which supported the international trade relations between South Asia and East Africa. In this network, the business is ideally centred on the family eldest and/or his brothers. The business activities are usually divided geographically and therefore separated. The profits of the family are usually ploughed back into the family and each male member gets his share of the family profits.

Far from home, the family structure of Indians in East Africa changed from a 'joint family' to a 'nuclear family'. Because of the overseas business connections, it was impossible to live under one roof. Therefore, the traditional business-structure in which the family income was to be divided among the male family members had to be altered. The ideal of a joint patrilineal family business was not supported by 'Hindu law' in East Africa. In the Mithakshara school of Hindu law, which applies in Gujarat, all agnatically related males born into the family have an equal undivided share in the family business, which is mostly headed by the family eldest. In East Africa, the only accepted basis for the division of property was by legally registered shares in a partnership or company. As a result, the familial 'sharing' of business amongst the brothers and their (grand) father remained an Indian sentiment but was replaced by more individual forms of ownership. Besides breaking the old pattern, the Indian family members in Africa started to do some business on their own account.²⁸

Although the economic scene was changing, the social scene tended to follow familiar ways. Successful Lohana business families built typical 'extended family' houses

in order to reproduce Indian culture as far as they could. Though these houses were meant for the extended families to live in, most of the family members who were spread all over East-Africa and developed more nuclear units. ²⁹ Even in the face of inevitable change, those pioneers who decided to stay in East Africa rather than retire in Gujarat did everything to reproduce their 'Gujarati culture' in their homes in East Africa. In the case of Sunderjibhai, this consisted in a typical extended family house in Mombasa. In his house there is a large living-room with colonial furniture and a traditional Gujarati rocking couch (which can still be seen in many Gujarati houses in East Africa). The portraits of his parents have a prominent place and are decorated with fresh flowers. Except for some small pieces of traditional African art, the living-room exudes on the air of Gujarat.

Next to the living room is the kitchen. The house is a typical one-kitchen house, where the extended family lives and shares its meals. There are various apartments were couples with their children have their bedrooms. The whole family, however, shares the living room and kitchen. There is no table in the kitchen, which means that the women sit on the floor while preparing the vegetables, cutting the fruits, and cooking the meals. They are assisted by a Gujarati Brahmin (woman) cook.³⁰ Next to the kitchen is the dinning-room where there is a big family dinning-table where the meals are shared. We have to take off our shoes before entering the dinning-room. Men and women eat separately. In this house neither liquor nor meat is consumed. This family has maintained their Gujarati tradition of being vegetarian and non-drinkers. Sunderji wears his Nehru (Hindu) cap and dhoti or pyama with pride.

Within the process of migration and the re-inforcement of Gujarati culture in East Africa, the idea of the joint family relation has remained important. The Mombasa business of Sunderji and his father, for example, flourished as they made use of the advantages of running an informally organised family business. Not only did they use their family network in Zanzibar and India, they also witted colonial law. In the 1920s a person was not allowed to be both a broker and a trader. So, Nanjibhai applied for the broker's licence, while his son Sunderji acquired the trading licence. In this way, the family was able to provide both services to their clients. By law, these firms were separate.

In short, the first generation of Indian businessmen was born in India and maintained a strong economic and social bond with India. They sought their wives in India; they had property and business there and they chose to retire in Gujarat or like Nanji Damordar to reproduce their 'Indian' style in East Africa. Though Indians in East Africa did not visit India very often, their homeland was still an important point of reference. It is interesting to note that the cultural and charitable relations with India were not necessarily explored within the joint family, but via community ties. The heads of nuclear families tried to improve

their status by charity. Some Indian pioneers in East Africa made generous charity contributions to the Indian villages from which they came. The Anandji family built a hospital, the family of Damordas built a small school and an orphanage, and the well-known Madhvani and Mehta families contributed to similar projects in Gujarat. These examples show that India was still in the hearts of these businessmen, even when they were not able to visit India in person.

Marriage, money and markets: 1920-1960.

In the second period two major changes occurred. First, there was the emergence of a preference for marrying Hindu women brought up in East Africa, instead of Lohana women brought up in India. Consequently, caste boundaries were crossed to find partners [mainly Patels and Shahs]. The fact that Hindus allowed the constraints of caste boundaries to be broken illustrates the change which took place as the Indian community became socially more oriented towards East Africa. To be more precise: they were more oriented towards Indians in East Africa. Initially, however, the demand for (Lohana) Hindu women from India was still great as there were twice as many Hindu men as Hindu women in East Africa.³¹

Second, India became less important as the business partner of the Indian settlers in East Africa. They tended to focus more on East Africa, the UK, and Japan. India lost out the international competition in the textile industry to Japan and, to a lesser extent to Europe. Its general market share in East Africa diminished dramatically and it became less important as a major export destination. This was the result of two major economic developments. India lost its economic momentum toward becoming a major industrial nation, whereas East Africa took its initial promising steps towards industrialization, in which Indians played an important role. East Africa tried to produce its own textiles.

In this period, a growing number of Asians in East Africa were educated in so called 'Indian schools' in East Africa, where teaching up to fourth standard was in Gujarati and after that in English. Therefore, a growing number of Asian East Africans were fluent in Gujarati as well as in English. For them, the step towards further education in the UK was relatively small. A number of well-off students attended colleges and universities in the UK. This meant that they developed a strong sense of the English language and European culture, while remaining 'Indian' in outlook and religion. Ultimately, this shift towards the West is reflected in the images these businessmen developed about businessmen in India.

Bharat is a typical example of a Hindu Lohana who did not marry within the Lohana community.³⁵ He was born in Dar es Salaam and studied in the UK. He then fell in love with a Patel woman and proposed to her. He was the first male member of

his family to break the Lohana chain that is to marry outside the Lohana community. He explained his preference for a 'locally raised Indian woman' in terms of her knowledge and experience of the East African way of life. This included general attitude such as the 'slow pace of life', and knowledge of the Swahili language, of how to train African servants, and of how to cook Gujarati food, which by then had already undergone changes in East Africa. It was less spicy, milder, sometimes with coconut milk, and the use of ghee was declining. In his view, it was better to marry outside the community, but within East Africa, than within the community with a Lohana raised in India, who 'would not know anything about Africa'.

Nevertheless, it was not an easy task for the young man to convince his father that he wanted to marry outside his caste.

It took me a year to convince my father. Though, I have to admit that he was pretty cool about it. In the sense that, of course, he told me that I was the first one of the male heritage of Nanji Damodar, to break this particular tradition. I said, but to me an Indian is an Indian. I must say there was some resistance more from some of my brothers. They are more traditional, I would say. My father was pretty open-minded about this once you talk with him, even to the extent of accepting marrying an non-Indian or a Muslim. My youngest brother is married to a Muslim. So he accepted this. ³⁷

What was the argument that convinced him?

Well basically I said, give me one reason, besides the argument that I am breaking any particular traditional pattern, that I should not marry this woman. If I were to marry another Indian then I could understand. But there is no change in the religion, there is no change in the tradition even. We both speak Gujarati. I could understand, I can accept his argument, if it were a different religion, different race, then fine, then you have to think about what happens to the offspring. But he was not able to present such an argument. I think he finally, he saw my point of view without admitting it. But we had various discussions about this thing.³⁸

In spite of his argument, something did happen to his offspring. His two daughters do not consider themselves Lohanas (born of a Patel), but Hindus. The perceptions of his elder brothers did not change. Some still wanted to see their own children marry within the same caste. Bharat: 'However, I don't think their children will face the same resistance I had. So if they show up with another Hindu, this would be 'acceptable.'

Thus, some of the male members of the family developed a preference for Hindu females raised in East Africa, even when this meant marrying outside their caste. ³⁹ The main explanation given for this was that they knew 'East African culture'. This preference for Indian women raised in East Africa ultimately led to deteriorating social and family relations with India. India became less and less important as a source for finding marriage partners. This was especially true of those families who migrated before the beginning of the twentieth century. They lost their family ties with India and, therefore, the urge to visit India for family reasons.

Not only was the demand for Indian women raised in India declining, some offspring of pioneer families mentioned a remarkable change in the quality of products coming from India. Broadly speaking, most agreed that the quality of Indian produce deteriorated, especially after the Second World War. This process of deterioration started in the 1930s. It is especially well illustrated by the case of textiles. Khangas, shirts, saris, and cloth once were imported from India, from the 1930s, the Japanese textile producers took over the East African market. Most of the informants recalled that the Japanese were able to offer better quality textiles at a cheaper rate. Their products were better finished, dyed, and manufactured than products from India. Another plus point was it was said that the Japanese were 'very ambitious', whereas the Indian industrialists had become too 'arrogant and unreliable'. 40

The above [p...] mentioned firm of Keshavji Anandi closed its (Indian) Porbandar firm around 1935. From that moment, the business bond with India was broken. This coincided with the opening of Keshavji Anandi's trading firm in Japan. In the words of one among his offsprings:

In Mombasa we imported textiles from India in the late 1930s. Now, in the late 1930s there was a man who was employed in our firm. This man was very ambitious and very enterprising. He said, you are a good company and you deal with Japan, why don't you let me open an office there and buy locally and export to East Africa, because we know exactly what is required here. So it was in the middle of the 1930s that a company in Japan was opened in the name of Devani & Company. And he bought goods from manufactures and exported them here, to Mombassa and Dar es Salaam. Now again, there was also a partnership firm in the name of Devani brothers in Dar es Salaam. They also dealt with retail business. So there were three main companies importing from Japan. The family company from Mombassa, the family company from Dar es Salaam, and Devani & Co in Japan. Japan was prospering during the War, but the office was taken over as 'enemy property' in the War. ⁴¹

- Indian East African firms went to Japan and the Japanese were ambitious enough to have at least three trading companies in Mombasa and Dar es Salaam: Japan Cotton Trading Company, Washo Kibushik Kaisja, and Tokio Kibushik Kaisja.⁴²
- The gradual economic separation from India was a consequence of the cutting of social ties evidenced by the growing preference for marrying Indian women raised in East Africa and –in the words and memory of the informants- the deterioration of economic relations. Another reason was the growing importance of formal banking, which meant there was less need to re-enforce informal (family) banking networks. The importance of the 'Hundi system' declined in favour of formal banks. In other words, those family members who stayed in India –and did not move to East-Africa- grew less and less important as economic and social capital.
- Nevertheless, statistics reveal no dramatic decline in the figures for imports and exports from and to India. On the contrary, my general impression is that India remained East Africa's second largest export destination after the UK. 43 Confronted with this evidence, many second-generation Indians in East Africa replied that these trade activities must have been conducted by 'new Indian migrants', especially those who came after the Second World War. 44 Therefore it appears plausible that the 'old migrants' needed to legitimise their changing economic focus in the face of the 'new migrants'. One way to do this was to create negative images of India and its inhabitants.
- The second generation Indians in East Africa started to focus on new ventures in the UK. Pertinently, the Indian Government changed its policy towards Indians after Indian Independence in 1947. Before Independence Indians overseas played a crucial role for Nationalists like Gandhi in their fight against discrimination in colonial societies. After Independence the new policy of Nehru and others may be characterised as 'studied indifference'. Overseas Indians were advised to identify with the place in which they resided and not with India. The change in India's policy and the new economic focus of East African Indians on the UK may have fuelled the growing social en economic distance between India and Indian East Africans.
- In my view, it is not surprising that Asian businessmen in East Africa developed a new image of India and businesses men in India in this period. Almost without exception, informants spoke negatively of India, and in one way or the other, they sought legitimation for the fact that Asian East Africans do not want to do business with India. They do not want to retire or settle there and, they do not trust an Indian from India. Many of these views are the consequence of experiences. For example, as one Hindu informant stated,

There is very little honesty in India. They cheat, they send you excellent samples, and if you buy, they send an inferior quality. Or when a shipment

of them arrives, you will find out that they have sent less, than you had agreed on. At the same time, when we want to do export there, there are so many amendments. You get tired. We don't have this with other countries, like South Africa, England, and Canada and America. We stopped trading with India. In life, you have to avoid unnecessary headaches don't you?

In a second interview, he added,

You see, my parents and grandparents had family members in India. So, we knew there was someone to rely on. Someone who took care of the 'Indian' side of the business, but now Bwana, we have no one there. Who can you trust if you have no one there?⁴⁸

The changing social orientation (in terms of family and marriage patterns) towards East Africa reinforced the idea that the 'Gujarati Community' in East Africa was different from the Gujarati community in India. This is in sharp contrast to the previous period during which Indian imports in East Africa were still important, and most Indian families in East Africa had some family members to look after their businesses overseas.

Despite the fact that family and community ties with West India were weakening, some Indian Africans continued to deal with businessmen in India. But over the years they realized that 'something' had changed. A Gujarati from India was no longer the same as a Gujarati from East Africa. Eventually this became the difference between chalk and cheese.

One other informant told me that.

I am more comfortable do business with a Gujarati from East Africa than a Gujarati in India. Especially when we talk on the phone. As a rule, I would take someone's word for it. Normally eight out of ten times this doesn't go wrong, nevertheless with Gujaratis in India eight out of ten times this goes wrong. (...) For example, we dealt with various business houses in India and also with houses owned by Gujaratis. There was one case in which there were certain deals which could not be documented, and basically we had a verbal agreement. And in the end there was a difference on what we agreed to. This would not happen with most of the Gujaratis from East Africa. There would be unwritten, unspoken understanding of mutual trust. 49

Many Lohanast felt that Gujaratis from East Africa were more civilized, more reliable, and more exposed to modern life. This was often attributed to the higher

standard of education East African Gujaratis enjoyed in East Africa and the UK. They experienced more transparency among Indian East Africans than among Gujaratis from India during the various rounds of consultations before finalising a deal. Of course, there may be other reasons for this that have nothing to do with education. However, in the interviews differences in education were mentioned by many, often in conjunction with 'civilisation', as a main cause of difference. See for example the following:

You see, they don't know how to speak properly. They, in India, are crude, rougher than we are. When our parents arrived in East Africa, we were with the British; and they educated us. So we learned how to speak, how to dress. This is lacking there, especially in the villages. ⁵⁰

Alongside the role of education and the exposure to a more 'Western lifestyle', another argument arose. In India, there is more competition, so Indian businessmen are more competitive than their Indian African counterparts; they are sharper and faster in their dealings. Eventually, this led to a 'lot of mistrust' towards Indians from India in the Indian East African community.

Our Indian African culture is different. Indians in India are more competitive; they are sharper, better equipped in the negotiation process. They have to be, because of the bigger population. When we do business with them, we get screwed. There is a lot of mistrust in our community against Indian Indians. You know, we have a saying that if you make a deal with an Indian Indian, and shake hands with him, you better start counting your fingers...⁵¹

This is undeniable evidence that, the second-generation Indians show a remarkable change in their perceptions of Gujaratis in India. They have constructed an image of a dissimilar overseas community, which they perceive as no longer a part of their own community. Gujaratis in India are seen as 'untrustworthy', 'unreliable', and 'uncivilised'. At the same time, they have adjusted to a more 'Western' life style. This is reflected in their 'suit-tie' western dress, written business agreements in English and the discontinuation of the practice of reading Gujarati newspapers and magazines. Bharat, for example, did not subscribed to any of the Gujarati newspapers or magazines. His English was fluent and he kept his business correspondence in English. However, sometimes, when he wrote to his father, he made the effort to formulate at least a few sentences in Gujarati. Like other Gujarati businessmen of his generation, he spoke Gujarati, sometimes infiltrated by a few English words. At home, he spoke Gujarati with his wife and children, while his wife would answer him in Gujarati,

his children might answer in English. India has become a foreign nation to them. Indeed, they have visited India only once, as tourists.

Conclusion

The literature on diasporas tends to highlight the importance of the motherland. This is seen as the migrants' umbilical cord to their homeland. It would seem to be unthinkable that migrants would cut off this relationship, but this is exactly what happened in the case of the Hindu Lohanas in East Africa who migrated and settled in East Africa before, say the 1930s. Initially, India was primarily important as a source of business connections and served as a pool for new recruits for East African firms. Furthermore, it was an important reservoir for marriage partners, which served as an important marker of purity within the Indian network. Nevertheless, the image of the Indian Subcontinent changed between 1880s and the 1960s, from being the beloved 'mother' to an alien other.

In this article I have shown that Indian Africans do not trust Gujarati businessmen from Gujarat. They are seen as 'unreliable', 'uncivilized' and 'untrustworthy'. This change in image can be explained by two interrelated causes: indubitably, Gujaratis in East Africa developed a preference for Indian marriage partners raised in East Africa, who know 'their culture'. Consequent with this shift in attitude, their interest in doing business with India diminished. They were educated in East Africa and Europe, and developed an interest in a European life-style. As a trading minority, they were exposed to African and European culture, more than to that of Gujarat. Therefore, it may not come to surprise to observe that, after a while, India became less civilised in their minds. However, there is no denial of the fact that their cultural roots emerged from Gujarat. But the cultural, and more important, economic interest in India declined.

These conclusions raise questions about the importance of the concept of the 'diaspora', especially in respect of the meaning of the role of the 'motherland'. In my view, the notion of the motherland loses its importance (whether invented, imagined or real) if it is not reinforced instrumentally. By taking a 'bottom up' approach in which we follow the informants' arguments it becomes clear that migrants, more easily than is thought in the diaspora literature, discontinue thinking about their roots as a source of recognition, identification, and appreciation. This is ultimately shown by the fact that Indian Africans refuse to do business with 'fellow Gujaratis' in India, who are not seen as members of the same community. There is no 'ethnic' business network or 'natural trust' in this trading diaspora. In other words, ethnic trading networks are created, but may also fall apart. Concepts of trust and mutual aid within these networks are constructed, and have to be earned by experience. Within these networks a 'good name' is just as easily lost as gained.

Bibliography of Works cited

Unpublished Sources

- Honey M., A History of Indian Merchant Capital (Ph. D. thesis, University of Dar es Salaam, 1982).
- Sheriff A., *The Rise of a Commercial Empire* (Ph. D. thesis, London School of Economics, 1971).

Published Sources

- Bagchi, A.K., Private Investment in India, 1900-1939 (Oxford, 1972).
- Bannerjee, D., Colonialism in Action: Trade Development and Dependence in Late Colonial India (London, 2000).
- Burton, R., Zanzibar: City I sland and Coast Vol 1 (London, 1872).
- Cohen, R., Global Diasporas. An Introduction (London, 1997).
- Dobbin, C., Asian Entrepreneurial Minorities. Conjoint Communities in the Making of the World-Economy, 1570-1940 (Richmond, 1996).
- Gregory, R.G., India and East Africa: A History of Race Relations within the British Empire 1890-1939 (Oxford, 1971).
- Gregory R.G., South Asians in East Africa. An Economic and Social History 1890-1980 (Boulder, 1993).
- Gregory R.G., *Quest for Equality. Asian Politics in East Africa 1900 1967* (New Delhi, 1993).
- Himbara, D., Kenyan Capitalists, the State, and Development (Nairobi 1994).
- Indian High Level Commission, Report on the Indian Diaspora (Delhi, 2000).
- Kotkin, J., *Tribes: How Race, Religion, and I dentity Determine Success in the New Global Economy* (New York, 1992).
- Lal, M.C., India's Missed Opportunity with the Non-Resident Indians (Aldershot 2001).
- Mamdani, M., From Citizen to Refugee: Uganda Asians come to Britain (London, 1973).
- Markovits, C., The Global World of Indian Merchants 1750-1947. Traders of Sind from Bukhara to Panama (Cambridge, 2000).
- Oonk, G., Ondernemers in Ontwikkeling. Fabrieken en Fabrikanten in de Indiase katoenindustrie 1850-1930. [Entrepreneurs in Development. Mills and Mill owners in the Indian Cotton Textile Industry] (Hilversum, 1998).
- Pearce, F.B., Zanzibar, The Island Metropolis of Eastern Africa (London, 1967 [1920]).
- Playne, Sommerset., East Africa (British): its History, People, Commerce, Industries, and Resources (London, 1908/1909).
- Ramchandani, R.R., *Uganda Asians. The End of an Enterprise* (Bombay, 1976).

- Tinker, H., Separate and Unequal. India and the Indians in the British Commonwealth 1920 1950 (St. Lucia, 1976).
- Tinker, H. The Banyan Tree: Overseas Emigrants from India Pakistan and Bangladesh (Oxford, 1977).
- Vertovec, S., The Hindu Diaspora. Comparative Patterns (London, 2000).
- Voigt-Graf, C., Asian Communities in Tanzania. A Journey Through Past and Present (Hamburg, 1998).

Articles and Essays

- Butler, Kim D. 'Defining Diaspora, Refining a Discourse', *Diaspora* 10/1 (2001), 189-219. Clifford, J., 'Diasporas', *Cultural Anthropology* 9 (1994), 302-338.
- Morris, H.S., 'The Indian Family in Uganda,' *American Anthropologist* 61 (1959), 779-789.
- Honey, M., 'Asian Industrial Activities in Tanganyika,' *Tanzania Notes and Records*, 75 (1974), 55-69.
- Nagar, R., 'The South Asian Diaspora in Tanzania: A History Retold', *Comparative Studies of South Asia, Africa and the Middle East'*, 16/2 (1996), 62-80.
- Oonk, G., 'The Changing Culture of the Hindu Lohana community in East Africa', Contemporary Asian Studies 13/1(2004) 7-23.
- Rudner, D., 'Banker's Trust and the Culture of Banking among the Nattukottai
- Chettiars of Colonial South India, Modern Asian Studies 23/3 (1989), 417-458.
- Safran, W., 'Comparing Diasporas: A Review essay', Diaspora 8/3 (1999), 255-291.
- Schnapper, D., 'From the Nation-State to the Transnational World: On the Meaning and Usefulness of Diaspora as Concept', *Diaspora* 8/3 (1999), 225-254.
- Tölöyan:, K., 'Rethinking Diaspora(s): Stateless Power in the Transnational movement', *Diaspora* 5/1 (1996), 3-37.

Notes

* Gijsbert Oonk studied in Rotterdam and at present is an Associate Professor 'Non-Western History, of the History Department of the Erasmus University. He has published on the History of cotton textile industry in West India as well as the Indian diaspora in East Africa. He can be reached at Oonk@fhk.eur.nl. His scholarly website is: www.goonk.nl.

¹ The research was made possible by the Netherlands Foundation for the Advancement of Tropical Research (WOTRO) in collaboration with the History Department of the Erasmus University Rotterdam, Netherlands. In addition, the Vereniging Trustfonds Erasmus Universiteit Rotterdam, Netherlands and the History Department of the same university made available the necessary funds for attending the Association of Asian Studies conference in New York, March 2003. An earlier version of this paper was also presented at the Posthumus Institute, Utrecht 28 November 2003. I would like to thank Ferry de Goey, Ned Alpers and Ned Bertz for discussing their ideas and insights with me.

- ² Kotkin, *Tribes: How Race, Religion, and Identity Determine Success.* Recent studies on the 'success of the Indian diaspora' include: Dobbin, *Asian Entrepreneurial Minorities.* See for more studies endnote 4. In his recent study, Claude Markovits, makes a strong argument against these 'ethnic' notions of trust. He emphasises that local networks, whether ethnic or not, play a crucial role in determining the 'success' or 'failure' of business communities/groups. In his view, this is not the result of sharing secrets or specific business attitudes, but the fact that a 'good name', and reputation is easily gained or lost within these business networks. Markovits, *The Global World of Indian Merchants 1750-1947*.
- ³ Gregory, *India and East Africa.*, and his *South Asians in East Africa.* Ramchandani, *Uganda Asians. The End of an Enterprise* (Bombay 1976); Voigt-Graf, *Asian Communities in Tanzania.*
- ⁴ Steven Vertovec overvalues this argument in his otherwise interesting study. Vertovec, *The Hindu Diaspora*, 25. Cohen sees the relation with the homeland as an important key for identity questions of diasporic groups. Cohen, *Global Diasporas: An Introduction*.
- ⁵ Clifford, 'Diasporas', 310.
- ⁶ Cohen, *Global Diaspora*, 26. See for a critical review of this book: Safran, 'Comparing Diasporas: A Review Essay,' 255-291.
- ⁷ For a critical analyses of these concepts, see: Schnapper, 'From the Nation-State to the Transnational World', 225-254.
- ⁸ Butler emphasizes rightly the 'historical' dimension of the diaspora; its existence over at least two generations. Butler, 'Defining Diaspora, Refining a Discourse',189-219. Khachig Tölöyan argues that: 'More problematically [....] the project of re-articulating the nation-state seems also to require the option of dis-articulating it. Tölöyan: 'Rethinking Diaspora(s)', 12.
- ⁹ The Indian High Level Commission, *Report on the Indian Diaspora*. See also: Lal, *India's Missed Opportunity*.

¹⁰ These families include more than 200 people of whom 78 were interviewed between 1999 and 2003. Extended fieldwork and archival research took place from June 2002 to July 2003. Information on occupation, knowledge of languages, and, for example, nationality is available for almost all the family members. Seven or eight key informants were interviewed three or four times or more often. Besides such formal methods, the researcher attended informal meetings, dinner parties and celebrations of holidays.

- 11 Those who settled after the 1930s tend to have stronger emotional and physical relation with India. This however does not mean that they produce a more positive image.
 12 Hindu Lohanas in East Africa come from the rural districts of Cutch and Kathiawar (Gujarat, West India). They were traditionally labourers, masons, husbandmen, shopkeepers and traders. It is said that their history is related to that of one of the Kshatria (warrior) castes, which in ancient times was called Lavan. The plural form of this was Lavanam and, over a period of time it changed first to Lavana and finally to Lohana. In the nineteenth century, many turned to weaving and textile trading. Those in Kathiawar were especially well established as maritime traders and many were doing business in Oman. When the Sultan of Oman moved his headquarters from Musquat to Zanzibar (1832), Lohana traders quickly followed him and set up shops there. From there they spread to the mainland from 1885 onwards.
- ¹³ The focus on (Lohana) Hindus is a consequence of my personal network of Asian businessmen. They form the majority of Hindus in East Africa. It was estimated that, in 1995, there were 3,000 Lohana Hindus among 10,000 other Hindus in Tanzania. Among the other Hindu communities were Bhatias, Patels, Vanias, Brahmins and 'others'. None of these other Hindu jatis had more than 800 people each. In addition, the number of South Asian Muslims was estimated at 26,000 in 1995. Voigt-Graf, *Asian Communities in Tanzania*, 53.
- ¹⁴ Those businessmen who are active around Hindu (Lohana) temple activities tend to relate more strongly to India. Nevertheless, they have diminished their business activities with India as well.
- ¹⁵ In this article, I use the terms 'South Asian' and 'Indians' as synonyms. Formally, it would be more correct to use 'South Asians', because South Asia was split into India and West and East Pakistan after the Partition in 1947. Nevertheless, colonial sources refer to 'India' and 'Indians' and many 'South Asians' in East Africa refer to themselves as Indians, or recall that they went to 'Indian' schools.

¹⁶ Gregory, South Asians in East Africa; Gregory, Quest for Equality.

¹⁷ Literature on this subject includes Robert G. Gregory, *India and East Africa;* Mamdani, *From Citizen to Refugee;* Ramchandani, *Ugandan Asians;* Tinker, *Separate and Unequal; The Banyan Tree*

¹⁸ According to the 1887 census, there were 4866 Muslims and 1022 Hindus/Jains in Zanzibar ¹⁹ Diverging concepts of purity and impurity made it rare for Hindu merchants to take their wives out of India, while Muslim merchants generally travelled with their families, especially to Muslim countries. Little is known about the Hindu taboo on crossing the seas. There is evidence that Hindus have been crossing the seas without compunction for many centuries, but the kind of ritual penances which had to be performed on their return are obscure. In some communities, such as that of the Gujarati Vanias of Porbandar during Gandhi's time, we know that these rituals took place, but we lack information on other communities. One hypothesis that seems plausible, is that the generalized taboo on the voyage of women represented a kind of substitution. The fact that the woman of the household did not travel beyond the seas seems to have been sufficient to ensure the continuing purity of the household. However, questions remain about what happened when Hindus decided to take their wives and children to East Africa. Markovits, *The Global World of Indian Merchants*, 27; Nagar, 'The South Asian Diaspora, 62-80.

The inter-relationship between social ties and business is clearly seen from various family histories. The eminent Muslim firm of the Karimjis was established in Zanzibar in the early 1800s as general importers and export merchants. The founding father of the Karimji family was Jivanji Buddhaboy. He had three sons: Pirbhoy Jivanjee; Karimji Jivanji and, Esmailji Jivanji. They carried on their father's business under the name of Pirbhai Jivanji till 1861. By then the brothers separated. Karimji Jivanji started his own business while the other two brothers worked jointly. Karimji Jivanji was followed by Alibhai Karimji Jivanji. In the late 1800s he went to India for the marriage of his only son, Alibhai. As he had separated from the family business and because of the considerable sum he had to pay towards the marriage, he invested in buying goods in India to bring them to Zanzibar to trade. The sailing ship in which he was returning on the way to Zanzibar after the marriage of his son ran into a storm on the way and the whole cargo had to be jettisoned. Karimji Jivanji thus landed on shores of the Zanzibar with his investments lost, no capital of his own and debt to others. Source: family archive Dar es Salaam.

²¹ Contemporary sources on the position (and absence) of Hindu women in East Africa include: Burton, *Zanzibar: City Island and Coast*, 329-35; Pearce, *Zanzibar*, 257. See also: M. Honey, *A History of Indian Merchant Capital*, 74.

- ²² Sheriff, The Rise of a Commercial Empire, 354.
- ²³ We actually know very little about those families which went back to India. If we assume that the reasons were, business failure, bad management, or the like, we also may assume that this is why stories of those who settled in East Africa have become (mainly) success stories.
- ²⁴ Child marriages were quite common in those days. This kind of marriage also shows that the chain migration had many of side effects. Not only did Sunderji's father have friends who went overseas, he also married one of his daughters to an Indian man who lived overseas.
- ²⁵ There is still very little known of the importance and functions of 'hundis'. The most detailed information, related to the notion of trust among Chettiars in South India ,can be found in Rudner, 'Banker's Trust and the Culture of Banking', 417-458.
- ²⁶ Interview Dar es Salaam, October 2002. This oral evidence is supported by Sommerset Playn's business directory of 1909. Here we find, for example, the family of Lalchund Moolchund which had business branches in Zanzibar, Mombasa, Dar es Salaam, Bombay and Hyderabad. The father lived in Hyderabad and the son looked after the East African branches. Playne, *East Africa (British)*, 113.
- ²⁷ Martha Honey stated: 'India was, therefore, primarily important as a source of business connections, rather than a source of capital. India served as a reservoir for new recruits for East African firms and as network of business contacts which could utilized by the East African traders.' Honey, A History of Indian Merchant Capital, 63.
- ²⁸ Morris, 'The Indian Family in Uganda', 779-789. Interviews with Bharat in October 2002. He stated that the idea of a family trust was still very much alive. They shared family capital and family-managed businesses. However, there was a growing interest in doing business on their private account.
- ²⁹ One family, which I met in Nairobi, decided to live under one roof again after being separated in East Africa for some twenty years. This show, that there is no 'natural' tendency towards a more nuclear family.
- ³⁰ This reflects a typical Indian tradition in which there used to be a strong notion of purity and impurity in relation to food and the acceptance of food from others. One cannot accept

food from everyone. The food restrictions are not so strongly observed in East Africa, but, even so, it is Brahmins who operate the many vegetarian restaurants and sweet shops. See for an extended history in the change in food habits of South Asian Africans, Oonk, 'The Changing culture of the Hindu Lohana community', 7-24.

- ³¹ The Tanganyika Census of 1931 counted 5,162 Hindu men and 2,600 Hindu women: *Report on the Non-native census* (26 April 1931), 38. Note that the issue here was not where the people were born. In fact many of these men and women were born in India as it was the practice of Hindu women to have the delivery of their babies –whenever possible- at their mothers' places. Often, this was in Gujarat, India. After the delivery, mother and child would go back to East Africa where the child was raised.
- ³² Imports from India in East Africa rose from 679(1901) to 2.313 x £1000 (in 1921); after which it declined to 658 x £1000 (in 1938). In the same period, the exports from East Africa to India grew from 136 to 3,500 x £1000 (1900-1938). Despite of this, the 'old Indian migrants' have been more involved in exports to the UK, which showed the same growth in this period. Imports from Japan were insignificant in 1900-1910, and rose from 171 to 1,763 x £1000 in the period 1920-1938. See, Gregory, *South Asians in East Africa*, 51.
- ³³ The causes of India's economic decline are part of a long dispute among Marxist, Nationalist and European scholars. A few excellent studies are: Bagchi, *Private Investment in India* and, more recently, Bannerjee, *Colonialism in Action*. For the role of Indians in the industrialisation process in East Africa, see M. Honey, 'Asian Industrial Activities in Tanganyika,' in *Tanzania Notes and Records* 74 (1974), 55-69. See also Himbara, *Kenyan Capitalists*..
- ³⁴ Oonk, 'The Changing Culture', 7-23.
- 35 For an extensive version of the case of Bharat see, G. Oonk, ibid.
- ³⁶ Two of his elder sisters had already married outside the community, and that they married within the Hindu community was considered 'good enough'.
- ³⁷ Bharat in Dar es Salaam June 1999.
- 38 Bharat in Dar es Salaam June 1999.
- ³⁹ See footnote 32.
- ⁴⁰ The problem of the quality of the Indian products and the growing competition with Japan was also felt in India.
- 41 Manilal Devani in Dar es Salaam October 2002.

- ⁴² Nanji Damordar in Mombasa June 1999. The issue of the Japanese Competition is also discussed in the annual reports of the Bombay Millowners Association. The Indian millowners were especially concerned about the China market and to a lesser extent the East African market. See Oonk, *Ondernemers in Ontwikkeling*.
- ⁴³ See footnote 33. The annually published 'bleu books' on British East Africa include a rich variety on statistical material related to the import and export various products.
- ⁴⁴ It was not only Hindus who decided to focus on East Africa to a growing extent. From the personal archives of some of my Muslim informants, it became clear that Indian Muslims had written several requests to the Indian Government asking to sell their land and property in India and transfer huge sums of money from India to East Africa in order to re-invest this there. These kind of transfers were often refused or took so long that most informants kept some family member to look after the property oversees. Obviously, the partition of British India in India and Pakistan in 1947 may well have accelerated the process of losing contact with India for Muslims.
- ⁴⁵ Lal, India's Missed Opportunity.
- ⁴⁶ In my interviews it was difficult to highlight the importance of '1947', this event seemed to be overshadowed by the aftermath of the Independence of East African nations in the early 1960s. After the 'Africanisation' projects in the late 1960, it became clear that Indian Africans could not easily apply for Indian Passport. Some present day Indian Africans still feel that they were 'left alone by their mother', others mentioned that by then, they were already 'cut off' from India and the Indian Indians.
- ⁴⁷ These negative images were repeated with some hesitation. In my introduction to this research, I told many informants about my earlier research in Gujarat. Many informants tried to convince me that Indians in East Africa were more 'modern' and educated then Gujaratis from Gujarat.
- ⁴⁸ Interview Dar es Salaam November 2002. This is not to say that family members are per definition reliable. This informant was cheated by two of his half-brothers and lost a huge part of his business in the early 1980s. In the late 1950s Morris noted that the Indian African said: 'Do not go into partnership with your brother. He is sure to cheat you'. Morris, 785.
- ⁴⁹ Interview December 2003.
- ⁵⁰ Anonymous informant February 2001.
- ⁵¹ Anonymous informant March 2003.