

The Lebanese Traders in Sierra Leone

CHANGE AND CONTINUITY IN AFRICA



MONOGRAPHS UNDER THE AUSPICES OF
THE AFRIKA-STUDIECENTRUM · LEIDEN

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MOUTON . THE HAGUE . PARIS

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The Lebanese Traders in Sierra Leone

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Preface

I had the good fortune to teach Economic Organization at the University of Sierra Leone for a period of nearly ten years. This work opened my eyes to the great gaps in printed information about the economy of Sierra Leone. This explains the original objective of this book: *to prepare a careful description of a neglected topic*. Needless to say, I was convinced that of all neglected topics in the field of economics the role of the Lebanese was the most important. Many Sierra Leoneans have encouraged me by sharing this view.

A second objective emerged in the course of my research when I discovered that the Lebanese should not be studied in isolation but against the background of the economy of Sierra Leone as a whole. I realized that I had to learn a great deal more about the economic history of the country. This meant extra work, but has enabled me to present their activities as being *closely interwoven with the economic history of Sierra Leone*. Economic factors and relationships dominate in this book. It differs therefore from other studies of immigrant trading communities which are mainly sociological or political in character.

My third objective has been to give *a fair and unbiased account*. This has not been easy because the Lebanese have come in for a lot of criticism and they have not defended themselves in writing.

I must point out here that I have not tried to write a survey of the Lebanese in West Africa. I hold the view that the economic histories of the various countries in West Africa differ in certain important respects and I am convinced that the operations of the Lebanese in these countries reflect these differences to some extent, so that general conclusions are not permitted. When occasionally I have felt that a comparison with the Lebanese elsewhere was appropriate or stimulating, I have used a note to point this out.

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The printed information which I consulted posed three problems. The first one was practical. The references to the Lebanese are scattered over numerous publications and in many cases the relevant passage consisted of only one sentence so that I found it hard to decide in what way the author considered it significant. A second problem was posed by publications on West Africa. How far could I assume that general conclusions and observations about West Africa applied to Sierra Leone? I had lived in this country long enough to know the hazards of doing so without considerable care. However, I had to study these publications and, in fact, I owe a great deal to them. I have listed the more useful ones in the second section of the bibliography. The third problem resulted from a serious bias in my sources, which were written by Europeans and Sierra Leoneans, but hardly ever by Lebanese. Moreover, many of the references to the Lebanese consisted of criticisms, as I have already mentioned. On examination I found that though these negative comments were rarely totally invalid, they unduly accentuated the faults of the Lebanese. At the same time there was a tendency to overlook the merits of the Lebanese. I had to overcome this bias by interviewing many Lebanese, so that in the end I could reconstruct their point of view. This was the most difficult aspect of my research, but it was also the most rewarding one. I was compelled to look at incidents and developments — whether well-known or obscure — from a stand not previously occupied by other scholars. In several cases I gained new insights which may be stimulating to those who are primarily interested in the role of European enterprise in colonial Africa or in the process of African emancipation in the 20th century.

I worked in Sierra Leone from 1959 to 1971. During the first five years of this period I paid some, but no special attention to the Lebanese. The idea of writing this book was conceived in 1964. For the next five years I achieved little in the form of tangible results because of my teaching and administrative obligations at Fourah Bay College. These were years of gradual orientation towards the subject based on newspaper items, casual conversations, and haphazard observation. There was no need to reach conclusions quickly — something which I have come to appreciate in retrospect. Since September 1969 when I joined the Afrika-Studiecentrum in Leiden I have been able to work full time on this subject.

My fieldwork was done between September 1969 and March 1971 and consisted of interviews and systematic observation. I interviewed 273 Lebanese in Sierra Leone and 70 other people (Sierra Leoneans, Europeans, Indians, etc.). The interviews gave me an opportunity to assess the competence of the Lebanese and to discover the things that mattered to them.

Events and subjects which figured largely or repeatedly in interviews I have tried to trace in reports and newspapers, often with success, but, of course, much of what I heard had never been put on paper because it had seemed unimportant at the time or it had been done stealthily, or because the Government had chosen not to publish it. I was therefore left with much oral information that was not confirmed by any documents. Most of it I abandoned with regret but some remarks which I considered reliable and essential have been included in this book.

The plan of the book is as follows. The historical introduction in Chapter 1 is followed by ten chapters which are economic in character. Chapter 2 presents those aspects of the economic history of Sierra Leone which were significant for the Lebanese while Chapter 11 summarizes my conclusions about the Lebanese entrepreneur. Thus Chapters 2 and 11 form the two cores of the economic argument which I present. The intervening chapters describe the activities in which the Lebanese have participated and the role they have played in them. Although there is a great deal of detail in these chapters, the interaction between the Lebanese entrepreneur and the Sierra Leonean environment is always the central theme.

Chapters 12 and 13 are mainly sociological. They present in a simple way the information which I gained in interviews and from observation. This seemed the best solution for an author who has no formal training in sociology. For readers who know little about the Lebanese it may be useful to read these two chapters immediately after Chapter 1.

Chapters 14-17 are political in character. The attitudes of and measures taken by the authorities in Sierra Leone are described and their implications for the Lebanese are discussed, in particular the economic ones. The final chapter supplements the economic conclusions of Chapter 11 in the light of the social and political information in Chapters 12-17. In conclusion there are some remarks about the future of the Lebanese in Sierra Leone.

Fourah Bay College has contributed to this book in several ways and I am glad of this opportunity of expressing my gratitude to the College Authorities. It was the College that gave me the opportunity to teach in Sierra Leone for many years, without which this book would never have been written. The College also granted me two sabbatical terms which I devoted to the initial research for this book. Later, during my fieldwork, the College accorded me the status of Visiting Research Fellow and provided me and my family with housing and other facilities.

I am grateful to the Afrika-Studiecentrum for accepting my research

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project fully and unconditionally when I joined it, and for giving me the opportunity to complete this book without being encumbered by other duties.

I further acknowledge a grant which WOTRO, the Netherlands Foundation for the Advancement of Tropical Research, made to finance my fieldwork.

Professor Dr. L.H. Janssen of Tilburg University has helped me in many ways since our first meeting in 1966. I have benefited a great deal from his concise comments on the various drafts of this book. Other people who have read the whole manuscript in draft form are Dr. A.G. Hopkins of the University of Birmingham; Dr. J.M. Blell, general medical practitioner in Freetown from 1938 to 1970; my wife, Dr. M. van der Laan-Bachofen; Mr. J.P. Birch, C.B.E., General Manager of UAC (Sierra Leone) from 1946 to 1958; and Mr. H.E. McCartney, Chairman of UAC (Sierra Leone) from 1962 to 1969. Parts of the manuscript were read by Professor Dr. J.R. Cartwright of the University of Western Ontario; Dr. P.J. van Dooren of the Koninklijk Instituut voor de Tropen in Amsterdam; Dr. A.M. Howard of Rutgers University; Mr. C.H. Fyfe of the University of Edinburgh; and Mr. S.M. Taylor, Chairman of the SLPMB from 1950 to 1958. To all these people I owe a great debt. They saved me from several errors and confirmed many points where the printed sources gave an incomplete account. Of course, they are not responsible for any errors of fact or interpretation that may remain.

Mr. F. Salloukh, the Lebanese Chargé d'Affaires in Freetown, and Mr. G.B. Haddad, Secretary in the Embassy, answered many questions and introduced me to many Lebanese businessmen. I greatly appreciate their help. I cannot mention all my informants by name, but I shall long remember the kindness and frankness which so many of them showed to me.

I am also grateful to the Librarians of Fourah Bay College, the Afrika-Studiecentrum, and the Foreign and Commonwealth Office in London, and the Keeper of Public Records in London, for their assistance. I am pleased to thank the Editors of the Sierra Leone Geographical Journal for permission to reproduce a map. Finally I am grateful to Mrs. M.W.J. van Hal and Mrs. A.W.M. van den Nieuwendijk for having willingly done most of the typing for this book.

Leiden, February 1975

H.L. van der Laan

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Currency exchange rates

1 £ (WACB) = 1 £ sterling

2 Leones = 1 £ sterling

List of abbreviations

APC	All People's Congress
B(B)WA	Bank of (British) West Africa
CFAO	Compagnie Française d'Afrique Occidentale
CSO	Central Selling Organisation
DC	District Commissioner
EUB	Evangelical United Brethren
FCSC	Freetown Cold Storage Company
GBO	G.B. Ollivant & Co
GDO	Government Diamond Office
IDB	Illicit Diamond Buying
IDM	Illicit Diamond Mining
Le	Leone
NDB	National Development Bank
PC	Paramount Chief
PWD	Public Works Department
PZ	Paterson, Zochonis & Co
RTTC	Rokupr Transport and Trading Company
SBWA	Standard Bank of West Africa
SCOA	Société Commerciale de l'Ouest Africain
SLDC	Sierra Leone Development Company
SLPMB	Sierra Leone Produce Marketing Board
SLPP	Sierra Leone People's Party
SLST	Sierra Leone Selection Trust
UAC	United Africa Company
WACB	West African Currency Board
WAPCB	West African Produce Control Board

A historical introduction

The Lebanese are an immigrant community in Sierra Leone. Similar communities exist in nearly all West African countries; migration from Lebanon to West Africa began in the 1880s and has continued ever since, in varying numbers and with interruptions during the World Wars. The area of what is now the Republic of Lebanon experienced heavy emigration during the second half of the 19th century. The majority of the emigrants travelled to North and South America, and indeed it appears that the small minority which came to West Africa would have preferred to go to the Americas, but landed in West Africa by accident or due to lack of money.¹ The early immigrants were the nucleus of the present communities for they asked relatives to join them and sponsored these until they had established their own businesses. Their descendants are still an important group in the communities of today.

1.1 *The arrival in Sierra Leone*

We do not know when the first Lebanese immigrant arrived in Sierra Leone. We are reasonably certain, however, that he arrived in one of the seaports, because the early Lebanese travelled by ship. A newspaper of 1895 contains what is probably the earliest reference to the Lebanese in Freetown.² I therefore take 1895 as the year in which the story of the Lebanese community in Sierra Leone began, although we must allow for the possibility that evidence will turn up to show that some Lebanese arrived even earlier. They could very easily have escaped the notice of the press and the Government, because to most people they appeared as just another variety of Europeans. A different source of information is

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provided by the recollections of members of the Lebanese community. On one occasion these recollections were compared by some leading Lebanese who had to draft a petition to the Governor. They concluded that the first Lebanese had arrived in 1896.³ The discrepancy with the newspaper reference may be explained as follows: the men who arrived in 1896 settled in Sierra Leone and were remembered by name. They had been preceded by some others who had stayed in Sierra Leone for a short time only and were not remembered by their compatriots.

With regard to Bonthe, the other seaport of Sierra Leone, I was told that the first Lebanese arrived there in 1903.⁴ We may assume that the Lebanese who settled in towns like Port Loko, Moyamba, and Pujehun had passed through Freetown or Bonthe, normally after an orientation period there of several months. We cannot, however, rule out the possibility that some Lebanese who had originally disembarked in Conakry or Monrovia later travelled in smaller craft along the coast to Kambia, Port Loko, and other inland ports of Sierra Leone.⁵

There was one group of people in Sierra Leone who did not consider the Lebanese as merely another variety of Europeans. The Muslims in Freetown noticed that the Lebanese spoke Arabic and were well disposed towards them. I was told that the early immigrants lived in the area east of Freetown where they rented accommodation from the Mandingos.

1.2 *Two names*

There has been some confusion about the correct name of the immigrants. Two names have been in use: Syrians and Lebanese. When the early immigrants were asked for their nationality, they described themselves as Syrians because they came from the Province of Syria in the Turkish Empire. They avoided the name Turks, because they disliked Turkish rule; indeed some had left their home country because of oppression and conscription. Thus, for the early period, i.e. until 1920, the name 'Syrian' may be considered correct. Some immigrants were more precise and called themselves 'Syrians from Mount Lebanon'.

After the defeat of the Turkish Empire in 1918 France became the Mandatory Power for the northern part of the former Province of Syria and divided it in 1920 into two new states: Lebanon and Syria. As a result most of the Syrians in Sierra Leone, but not all of them, became Lebanese. The others remained 'Syrians' or rather they became citizens of the new Republic of Syria. To avoid confusion I shall call them 'Syrians

proper' in this book. The old name 'Syrian' continued to be used in its old meaning because the new distinction was inconvenient to both Europeans and Africans — and unnecessary for the British authorities.⁶ It was only after 1954, when the Lebanese Government appointed its own representative in Sierra Leone, that the name 'Lebanese' came to be used more frequently. Then, in the late 1950s the newspapers and the Government began to use the word 'Lebanese' in preference to 'Syrian'. Educated people in Sierra Leone normally speak of the 'Lebanese' nowadays, but 'Syrian' is still widely used and understood.

I shall use the name 'Lebanese' throughout this book, even in paragraphs concerning the period before 1920, when the word 'Syrian' would be better. The reader should be aware, however, that the name 'Syrian' will appear in some quotations and in the name of the riots of 1919. The 'Syrians proper', of whom there are very few in Sierra Leone,⁷ are mentioned separately in only two chapters. Most of what is said about the Lebanese in the other chapters applies to them as well.

1.3 *Difficult beginnings*

The great majority of the Lebanese arrived with very little money. Some of them may have tried to find wage employment, but nobody was prepared to employ them because they had no useful experience and did not know the country or any of its languages. They took to trading and began to sell cheap imported goods in the streets of Freetown. It was then that everybody noticed that they were different from the Europeans. The Creoles called them 'Corals', a name which is discussed in Chapter 5. It was a time of poverty and hardship, but the Lebanese worked hard to improve their position. Soon they were able to rent shops. This success led to complaints by African traders in Freetown, Bonthe, Port Loko, etc. who lost business to them.

The African animosity against the Lebanese manifested itself in 1914 and 1919. In November 1914, after much delay, the Turkish Empire joined Germany and Austria and declared war on Britain and France. Thus, the Lebanese in Sierra Leone suddenly became subjects of a hostile state because they were Turkish citizens. At its next meeting the Freetown City Council passed a resolution requesting the Government to intern all enemy subjects.⁸ However, the Lebanese escaped internment because the Governor believed that they were anti-Turkish (see further Chapter 17). Even if the resolution had no effect, it was still a clear token

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of Creole hostility, though it is doubtful whether the Lebanese realized the full extent of it. Perhaps the prosperous years during World War I lulled them into a false sense of security. If so, they were rudely awakened by the violence of 1919.

1.4 *The Syrian riots*

The riots which occurred in Sierra Leone in 1919 have been called the Syrian (or anti-Syrian) riots because they were directed against the Lebanese. They began in Freetown on 18 July.⁹ The shops of the Lebanese traders were stoned, the doors battered down, and the stocks looted. One Lebanese was killed. As the Police were unable to control the rioters the Government decided to place the Lebanese under protective custody in the Town Hall and two smaller buildings. For eight weeks they had to stay there in enforced idleness, considering and discussing their plight. Some may have argued that only the Creoles were hostile and that the people in the Protectorate were friendly, but they had to change their minds when they heard that similar riots had occurred in several Protectorate towns. The Lebanese who had traded in these towns soon joined their compatriots in Freetown in protective custody. We may assume that the Lebanese who could read English carefully studied the Creole newspapers, which vilified the Lebanese and blamed them for the rice shortage. They knew that their shops had been looted and that they could do nothing to protect what might be left. But the worst aspect of their situation was their uncertainty about the future. Would the Government deport them en masse? They did not doubt that this was what the Creoles wished. However, they wanted to stay in the country in which they had built up their businesses, especially as the situation in their home country was very unsettled at that time.

Their future was in danger, indeed. In August the Acting Governor asked the Colonial Office whether he should allow the Lebanese to remain in Sierra Leone or deport them in the interests of peace. Fortunately for the Lebanese, the Secretary of State for the Colonies completely rejected the idea of deportation and instructed the Acting Governor to protect them and to assure them of continued protection and reasonable compensation for their losses. He further ordered that the population should be warned by proclamation that any violence against the Lebanese would be severely punished.¹⁰ Finally, on 13 September the Lebanese were released from protective custody and returned to their shops. They

were invited to submit claims for the losses and damage caused by the rioters, and a commission appointed to consider these claims awarded the Lebanese a total of £ 63,117.¹¹

The intervention from London turned the disaster of the riots into a political victory for the Lebanese. Their position before 1919 had been uncertain, for though they had assumed that they could stay and trade in Sierra Leone for as long as they wanted, there was no legal basis for this assumption (unless they became naturalized). The Government assurances of 1919 meant in effect that the right of long-term residence was granted to the Lebanese. If a Lebanese immigrant chose to settle in Sierra Leone, he could count on the protection of the Government on no other condition than that he obeyed the laws of the country.

The intervention from London was a bitter disappointment for many Africans, and in particular for the Creoles. They no longer expected to receive a fair hearing when they informed the Government of their grievances and complaints about the Lebanese. The Creoles were further disheartened by the knowledge that many British officials suspected them of having instigated the riots. They were worried that the Lebanese would make further inroads into their long-established economic positions. Thus, bitterness and frustration marked Creole attitudes towards the Lebanese in the years that followed.

The riots were followed by many enquiries and reports, which have formed a valuable source of information for historians. They show that in 1919 the Lebanese had shops in at least 24 towns.¹² The sums that were paid out as compensation give an indication of the stocks they held before the riots and indirectly of their capital.¹³ There is further information about the positions of Lebanese and African traders in the kola, rice, and general merchandise trades. This is discussed in more detail in Chapters 3, 4 and 5.

1.5 The period 1919-1949

For fully thirty years the Lebanese lived safely under the assurances given by the British in 1919. They consolidated their economic position: they formed an increasing proportion of all the shopkeepers in Sierra Leone and their role in the produce trade expanded. It is not easy to document their progress, because newspapers and reports of this period contain only a few references to the Lebanese. This may not have been accidental, for I believe that the riots of 1919 taught the Lebanese to watch their step.

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As they feared the Creole newspapers, which were ready to notice — and magnify — any fault or crime of theirs, they wisely tried to keep out of the news. The colonial administration was equally anxious to keep them out of their reports; they avoided mentioning them by name and resorted to vague references, such as 'a certain community'.¹⁴ It seems that they were afraid of being accused of either favouritism towards or discrimination against this particular group.

In the 1920s the Lebanese became important in lorry transportation (see Chapter 6) and in the 1930s in gold mining (see Chapter 7). Their participation in these areas has been recorded in more detail than their commercial advance. This has helped me a great deal in my attempts to reconstruct the general economic advance of the Lebanese during this period.

1.6 *The growth of the Lebanese community until 1945*

Demographic data for the Lebanese are scarce. The figures which I was able to find are presented in two tables. The early figures appear in Table I and the more recent ones in Table XX on p. 301.

It seems that the Lebanese community remained small during its first fifteen years, but then there was heavy immigration which was only stopped in 1914 by the outbreak of the war. The period 1910-1914 was thus crucial for the community. Two developments during that time must be mentioned here. First, the Lebanese began to venture out of the sea-ports of the Colony: by 1911 one third had moved to the Protectorate (now the Provinces), see column 2. Secondly, they felt confident enough to bring their wives out from Lebanon and to raise their families in Sierra Leone. This appeared strange, not to say irresponsible, to the Europeans, who left their wives and children at home because they considered West Africa too unhealthy. A count of 1913 showed that there were 25 Lebanese children in Freetown, all of them born in Sierra Leone.¹⁵

The census of 1921 shows a Lebanese population double that of 1911 but the growth occurred largely in the Protectorate. The number in the Colony itself had actually fallen since 1913 as a result of the exodus which followed the riots of 1919.¹⁶ The Lebanese community doubled again between 1921 and 1931. This was due not only to immigration, but also to natural growth: there were some 300 Lebanese children under 16 in 1931.¹⁷ During the 1930s the community grew at a slower pace because the depression reduced immigration. Later, during World War II, which severed all links with Lebanon, no immigration took place.

Table I. *The Lebanese in Sierra Leone, for selected years, 1901 - 1938, by area and by sex*

	Colony	Protectorate	Total	Males	Females
1901	41	0	41	38	3
1910	72	n.a.	n.a.	n.a.	n.a.
1911	175	91	266	217	49
1913	212	n.a.	n.a.	n.a.	n.a.
1921	177	386	563	415	148
1924	226	503	729	n.a.	n.a.
1931	413	753	1166	843	323
1938	n.a.	n.a.	1400	n.a.	n.a.

Sources:

1. R.R. Kuczynski, *Demographic Survey of the British Colonial Empire, Volume I, West Africa*, p. 191-4, for 1901, 1911, 1921, and 1931 figures.
2. *Annual Report on the Medical Department for the Year ended 31st December, 1913*, p. 75, for 1910 and 1913 figures, which refer to Freetown only.
3. Despatch of 11 January 1925 from Governor Slater, Public Record Office, *C.O. 267/607*, for 1924 figures.
4. Colonial Office, *Annual Report on Sierra Leone for 1938*, p. 24, for 1938 estimate.

Notes:

- a. n.a. = not available
- b. No census was held in the Protectorate in 1901 and the figures for this year in the columns 2-5 are based on the assumption that there were no Lebanese yet in the Protectorate.
- c. The Colony (column 1) included Bonthe.
- d. The Census figures for Freetown were 145 in 1911 and 160 in 1921. These figures may be compared with the figures for 1910 and 1913.
- e. The 1924 total of 729 consisted of 480 males, 126 females, and 123 children.

1.7 *British restrictions*

After about 1930 British colonial policy became increasingly concerned with the well-being and development of the African population. Inevitably, certain measures which reflected this new orientation were detrimental to Lebanese interests. A notable example was the reorganization of the produce trade which the Government introduced after World War II. This involved two supplementary measures: the promotion of marketing co-operatives of African produce farmers, and the establishment in 1949 of the Sierra Leone Produce Marketing Board, a public corporation responsible for the export of produce. The reorganization greatly reduced the opportunities of the Lebanese who were engaged in the produce trade.

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This is discussed in greater detail in Chapter 3.

In 1952 the British adopted a more restrictive policy concerning immigration, whose object was to restrict the number of non-African immigrants. With regard to the Lebanese the British wanted to keep the community in Sierra Leone as small as was reasonably possible. Although this new policy was inspired by concern for the African population, it ignored Lebanese interests and aspirations. This is further discussed in Chapter 15.

The Lebanese were painfully aware of the shift in the British attitude towards them.¹⁸ Moreover, the economic situation in the late 1940s was bleak,¹⁹ so many Lebanese experienced lean years and were pessimistic about the future. Then, suddenly, the diamond boom brought them greater prosperity than they ever could have hoped for.

1.8 *The diamond boom*

The prosperity which Sierra Leone experienced in the mid-1950s was the result of the rapid expansion of diamond mining. Formerly all diamond mining had been confined to the Kono District, but in 1954 African miners began to dig for diamonds in several other areas. This led to a genuine diamond rush, the consequences of which are discussed in Chapter 8.

A number of Lebanese began to buy diamonds from the African miners; indeed, it is common knowledge in Sierra Leone that some of them have earned fortunes in this way. Less obvious was the fact that the Lebanese shopkeepers profited from the diamond industry, for the money which the African diamond miners earned was largely spent in Lebanese shops. In fact, it is likely that the combined profits of the Lebanese shopkeepers were higher than those of the Lebanese diamond traders. It is they who were largely responsible for the metamorphosis of the community which occurred after 1954. There were many signs of modernization: old houses were replaced by new concrete ones, new lorries and cars were bought, and many Lebanese travelled to Lebanon, some for the first time. The new prosperity attracted a number of young, better trained men from Lebanon, whom I shall call 'new immigrants'. Some of these had been born in Sierra Leone and had gone abroad for their education with no intention of returning, but they changed their minds when they heard of the diamond boom. They were admitted freely, because the immigration restrictions of 1952 did not apply to them. Other new immigrants were

admitted because their training qualified them for special jobs. The diamond boom was further significant because it favoured Lebanese importers who had just begun and provided a basis for manufacturing, an area in which a few Lebanese were interested.

1.9 Nationalistic restrictions

The position of the Lebanese deteriorated again during the 1960s as a result of a number of restrictions which the Government imposed on foreigners after the country had become independent on 27 April 1961. Some of the restrictions were specifically designed to curb the influence of the Lebanese and to reduce their opportunities. The effect of these restrictions on other foreigners was only a secondary consideration for the Government and the members of Parliament. It must be borne in mind that the Lebanese were the most numerous among the non-African foreigners and far more influential than the African foreigners in Sierra Leone. It was therefore to be expected that the politicians had the Lebanese uppermost in mind when they drafted the restrictions. In fact, some details are a useful indication of the nature and extent of Lebanese enterprise at the time.

The restrictions raised the question of citizenship. Who was a citizen of Sierra Leone and who was a foreigner and therefore subject to the restrictions? The independence constitution provided the first answer to this question. It stated among other things that people of mixed descent were citizens. This meant that the Afro-Lebanese (children of a Lebanese father and a Sierra Leonean mother) became citizens at independence. Not everybody agreed on this point, however, and Parliament adopted an amendment to the constitution in January 1962 which deprived the Afro-Lebanese of their citizenship. This decision was later reversed again; in 1965 it was decided that the Afro-Lebanese would be treated as citizens in economic matters, and in 1973 they were accepted again as full citizens. The full Lebanese — with some exceptions, see Chapters 15 and 16 — have been foreigners since independence.

Although the various economic restrictions on foreigners are discussed systematically in other chapters, it is convenient to present them here in a table. The general ones (items 4, 6, 7 and 10 of Table II) have caused more concern to the Lebanese than those which dealt with specific commodities. The table shows that the first Act imposing general restrictions was adopted in May 1965. In October 1967, after a change of govern-

Table II. *Acts imposing economic restrictions on foreigners*

Number of Act	Short title of Act	Date of commencement	Replaced or repealed by:	Further discussed in Chapter:
1. No. 61 of 1962	Land Development (Protection) Act, 1962	17 Jan. 1963	Act No. 30 of 1966	13
2. Govt. Not. No. 649 of 1963	Distribution and Sale of Rice in Sierra Leone	15 June 1963	Act No. 25 of 1965	4
3. No. 28 of 1963	Land Development (Protection) (Amendment) Act, 1963	12 Sept. 1963	Act No. 30 of 1966	13
4. No. 9 of 1965	The Non-Citizens (Restriction of Retail Trade) Act, 1965	24 May 1965	Act No. 30 of 1965	5, 6, and 10
5. No. 25 of 1965	Rice Corporation Act, 1965	1 Aug. 1965	—	4
6. No. 30 of 1965	The Non-Citizens (Restriction of Trade or Business) Act, 1965	1 Oct. 1965	Act No. 6 of 1966	5, 6, and 10
7. No. 6 of 1966	The Non-Citizens (Trade and Business) Act, 1966	3 Febr. 1966	N.R.C. Decree No. 53 of 1967	5, 6, and 10
8. No. 30 of 1966	The Non-Citizens (Interests in Land) Act, 1966	22 Sept. 1966	—	13
9. N.R.C. Decree No. 53 of 1967	The Non-Citizens (Trade and Business) Act, 1966 (Repeal) Decree, 1967	5 Oct. 1967	—	5, 6, and 10
10. No. 9 of 1969	The Non-Citizens (Trade and Business) Act, 1969	21 Aug. 1969	—	5, 6, and 10
11. No. 5 of 1970	The Non-Citizens (Trade and Business) (Amendment) Act, 1970	26 March 1970	—	5, 6, and 10
12. No. 16 of 1970	The Non-Citizens (Trade and Business) (Amendment) (No.2) Act, 1970	24 Sept. 1970	—	5, 6, and 10

ment, all general restrictions were abolished (item 9). New restrictions were imposed in 1969, after another change of government. These restrictions were more comprehensive than the ones of 1965 and have been in force ever since.

It is not yet possible to assess the full effect of the restrictions on the Lebanese. In 1970 I gained the impression that they were discouraged and had lost some of their turnover, but that the effect was less than the politicians had expected, mainly because the Sierra Leonean businessmen were not ready to replace the Lebanese fully in the activities which they had had to give up because of the restrictions.

1.10 *The Lebanese shopkeeper*

A brief description of the Lebanese, their shops, and their buildings may be helpful to readers unacquainted with Sierra Leone.

The central area of Freetown contains many Lebanese shops.²⁰ Roughly speaking the Lebanese predominate in the eastern part of central Freetown; to the west their shops intermingle with the European and Indian businesses, and to the east and south with African traders, including many Nigerians. Some streets are so crowded during the day that quiet observation of the Lebanese shops is impossible, but in the evenings one has a better chance to look around. The buildings of the Lebanese are large concrete structures which have three or four storeys and measure 30 to 40 feet along the street. The ground floor is reserved for the shop and the upper floors form the living quarters. Normally the Lebanese trader and his family live above their shop. Between the buildings there are narrow alleys from which stairs lead to the upper floors. Outside stairs are preferred to inside ones because they are considered safer. Moreover, they make it possible for the shop and the living quarters to be used by different families. The concrete houses are relatively new, most of them having been built in the 1950s, but there are still a few older houses, originally built and owned by Creoles, which are now let to Lebanese. The upper floors of the modern houses have balconies on the street side and the Lebanese love to sit there in the evenings, talking, drinking coffee, looking out in the street, and calling out to their neighbours. Living close together and frequently visiting one another in the evenings the Lebanese form a closely knit community of their own.

In the evenings the ground floor of each building looks like a row of garages: a succession of steel doors separated by narrow walls, each door

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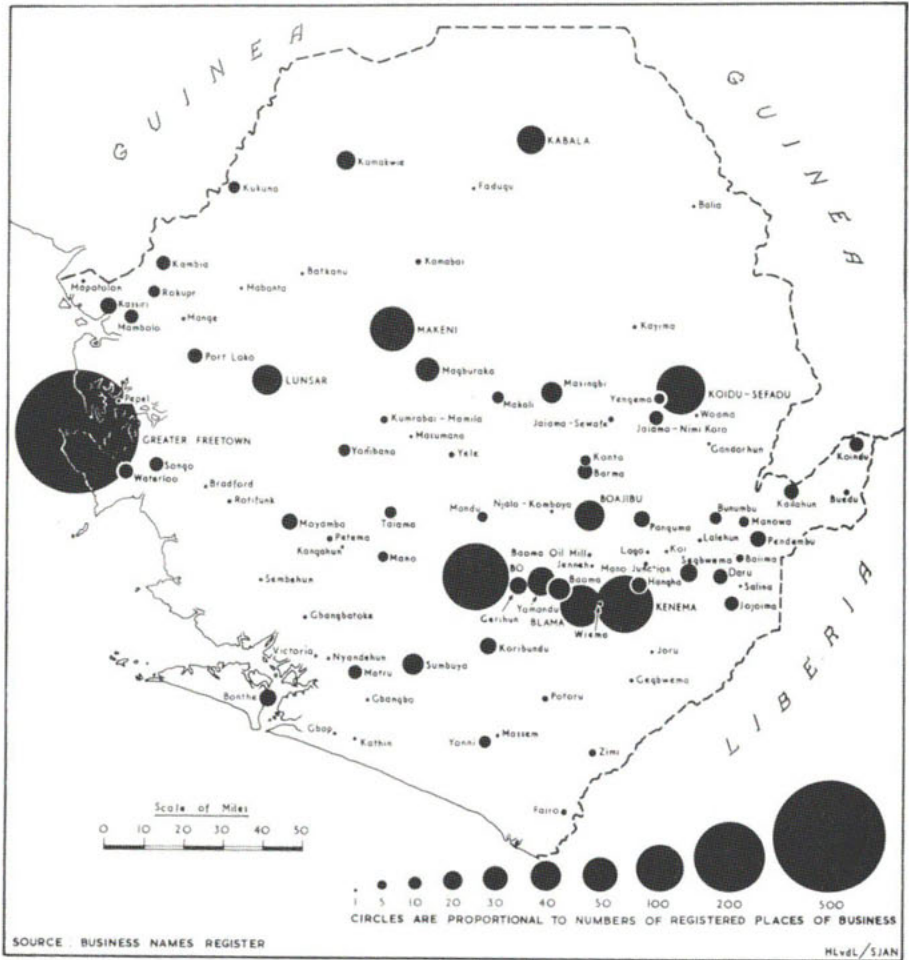
rolled down to the ground and padlocked. Above the doors the name of the shopkeeper is painted in large letters. Occasionally an empty crate is standing on the pavement. In the early morning the steel doors are opened giving free access to the shop. The Lebanese shopkeeper prefers an open front as it provides better ventilation and enables passers-by to see the goods that are for sale. Inside, the pillars which support the upper storeys are prominent. There is a long counter in the middle, usually glass-covered and on the walls there are shelves on which the goods (rolls of textiles for instance) are displayed. Smaller articles lie inside the counter under the glass. The shopkeeper or his wife stands behind the counter, and there may be one or two African assistants.

Nearly all customers are Africans. The shopkeeper looks at them to see whether he has seen them before. If so, he greets them. However, the majority of the customers in Freetown are unknown to him, and as it is an unwritten rule that an unknown person is free to enter the shop, to look round at leisure, and to leave without buying or even saying anything, the shopkeeper does not speak to him. This silence, therefore, is not a sign of indifference. While he waits, he tries to guess what the customer wants and can afford, which is useful when the customer asks for something. The shopkeeper also keeps an eye on potential thieves; to minimize the risk of theft only a few articles stand in front of the counter, and these are too bulky or heavy to be snatched away.

Most of the Lebanese shops depend on the pedestrian customer, who normally is not in a hurry and has not decided yet on the shop in which to buy. He may ask for what he wants in several shops and may also glance at the goods in the shops which he passes. This does not cost him much time because shops that sell the same type of goods stand side by side. Moreover, on the pavement in front of the shops there are street sellers who offer similar goods for sale.

Garrison Street Market is the busiest market in Freetown and the streets in its vicinity are usually full of pedestrians. The Lebanese shopkeepers consider the sites in this area as the best ones in Freetown, and those who have no building of their own are willing to pay high rents. The shops near the market (in Little East Street, Garrison Street, and Kissy Street) specialize in textiles, fancy goods, and foot-wear. Farther away from the market there are shops selling enamelware, metal goods, toys, provisions, drinks, sewing material, linoleum, etc. The shops which do not depend on pedestrian customers are found along East Street. They specialize in building materials and other bulky goods, and profit from the fact that this street is a wide one in which cars and lorries can park easily.

Map I. Geographical distribution of Lebanese enterprise in Sierra Leone



Source: For details of preparation, see H.L. van der Laan, 'Lebanese Enterprise in Sierra Leone: a Partial Analysis', *Sierra Leone Geographical Journal*, No. 13, 1969, pp. 45-50.

There are Lebanese shops in some 80 towns and villages in the Provinces (see Map I). Four provincial towns — Bo, Makeni, Kenema, and Koidu — have large commercial centres with many Lebanese shops, but the latter two have been the most prosperous in recent years. Some provincial shops are modern and occupy the ground floor of a two-storey building like those in Freetown. The interior of these shops resembles the Freetown shops but there are also old-fashioned shops in one-storey buildings, made of timber and corrugated iron sheets. In such buildings the living quarters are next to or behind the shop. The low roof extends in long eaves covering the verandah in front, which keeps the shop shady and cool, but makes it dark, which is a distinct disadvantage for shopkeepers who wish to display their goods attractively. The old-fashioned shops are typical of the villages, the modern ones of the towns. Most towns can boast of a main shopping street with at least a few two-storey buildings. This is the commercial heart of the towns, where both the market and the lorry park (where passengers wait for transport) can be found. Normally the Lebanese shops occupy the best sites.²¹ The provincial shops are less specialized than those in Freetown but they stock more provisions and attract more European customers. The village shops have no specialization at all and the choice of goods is usually small. A weighing machine in front of a Lebanese shop indicates that the shopkeeper buys produce from the farmers. In the towns African tailors and their sewing machines are conspicuous in front of Lebanese textile shops.²²

There is not much difference in appearance and dress between the Lebanese and the Europeans. Special characteristics of the Lebanese are the dark hair and the moustaches of the men and the scarves of the women. Elderly white people are normally Lebanese, because Europeans past working age are rare in Sierra Leone. These features are not universal, however, and it is quite possible to mistake some Lebanese for Europeans and vice-versa. It is the commercial environment which prevents such mistakes from happening frequently.

Some aspects of the economic history of Sierra Leone

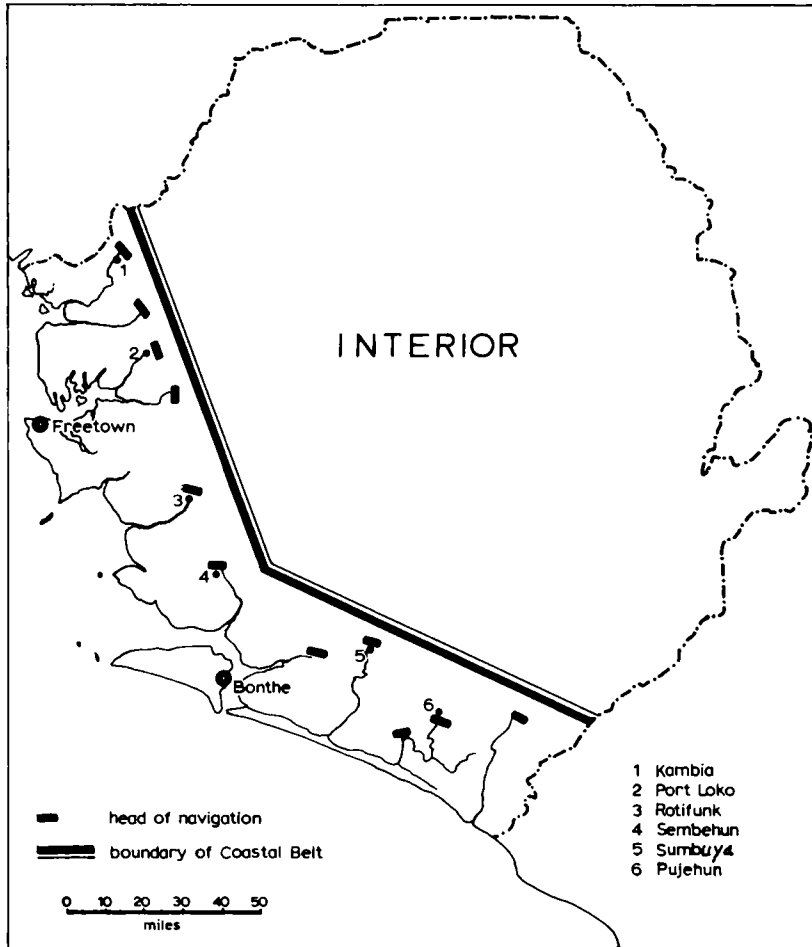
The study of an immigrant group can be approached in two ways. The internal approach starts with the group and tries to explain the activities and successes of its members on the basis of the characteristics of the group. This approach appeals to sociologists. The external approach, on the other hand, begins with the environment in which the immigrants have to make a living and seeks an explanation for their activities in the opportunities which are available in the environment. The external approach appeals to economists. As I have said in the Preface, this book is based on the external approach.

This chapter provides the background to Chapters 3-10, in which the economic activities of the Lebanese are described. Three topics have been singled out here: transportation, European commercial participation, and African participation, all of which have played a major role in the economic history of Sierra Leone during the years that the Lebanese have lived in the country. The reader must remember that when selecting material for this chapter I was guided by the requirements of this book. Hence activities in which the Lebanese have not played any role are omitted or mentioned only in passing.

2.1 *Transportation*

Before 1895 there were only two ways to transport goods in Sierra Leone: porters and boats. Water transport was far superior to portage and was used wherever possible.¹ The coastal region of Sierra Leone was fortunate in having many estuaries, rivers, and creeks which allowed for water transport during all seasons.² The Interior was not so lucky, because,

Map II. *The transport situation in Sierra Leone before 1895*



apart from a few rivers which could be used by canoes for part of the year,³ all transport of goods depended on portage. In Map II I show an approximate boundary between the Coastal Belt and the Interior, the former representing an area of low transport costs and the latter an area of high transport costs.

The Map also shows the 'heads of navigation'.⁴ European sailors who explored the West African coast after 1500 followed the rivers to the heads of navigation, that is the point beyond which their vessels could not go. It is often forgotten that these points formed barriers for locally built Bullom boats, and in many cases for canoes as well. A number of 'inland ports' such as Kambia, Port Loko, and Pujehun developed in the vicinity of these points and the routes between the inland ports and the seaports of Freetown and Bonthe became the main arteries of the water transport system of the Coastal Belt. Since the ocean-going ships which were built in the second half of the 19th century were considerably bigger than before, they could not reach the inland ports any more and called only at the seaports. As a result the seaports grew in significance towards the end of the 19th century and the inland ports declined.⁵

Since the Coastal Belt was broader and better provided with waterways than many other parts of the West African coast, Sierra Leone was a privileged part of West Africa in the 19th century as far as transport and trade were concerned.⁶ The Coastal Belt consisted of two parts: the Sherbro River system in the south with its mostly sheltered waterways, with Bonthe as its central harbour, and the Northern Rivers area based on the estuaries of the Scarcies and the Sierra Leone River, with Freetown as the main harbour.

It should be mentioned here that two other names have been used for what in this book is called the Interior. It was long called 'up-country' but as this name is now used as a synonym for the Provinces, I have avoided it. The other name was 'hinterland'. As this may suggest a special connection with a particular harbour, it is less suitable than the word Interior.⁷

Water transport favoured and stimulated commercial agriculture in the Coastal Belt. Farmers who lived close to a river or creek found it worth-while to grow more than they needed and to take surpluses by canoe to a trader for sale. In the Interior the situation was different. The few products that came to the Coast from the Interior — or from the area which is now Guinea — were derived from mining, hunting, or forest gathering, but not from commercial agriculture.⁸ They were transported by porters organized in caravans. The longer the distance covered by a caravan, the greater were the logistic problems for the organizing traders.

In Sierra Leone, as in the rest of Africa, long distance trade has deservedly received attention and admiration from European observers.⁹ In comparison, water transport in the Coastal Belt seemed uninteresting to the early Europeans so they wrote little about it.

Many plans were made in the 19th century to open up the Interior and to tap its wealth. The railway was the obvious instrument to use. In 1895, therefore, the Colonial Office authorized the construction of the Sierra Leone Government Railway and work was started in the same year. In 1896 the Protectorate was declared, which brought the Interior, into which the railway was to be routed, under British rule. The construction of the railway was difficult and consequently took almost twenty years: the main line reached Pendembu in 1908, while the branch line did not get to Makeni until 1914. The railway was undeniable proof of the determination of the British to open up the Interior. As a feat of engineering it impressed people in Sierra Leone, in particular the Africans of the Interior. Although much later it became popular to deride the railway for its technical shortcomings, the early mood was one of pride and admiration, not in the least because the railway was the largest organization ever established in Sierra Leone.

The railway transformed parts of the Interior into areas of low transport costs, and thus stimulated commercial agriculture in these parts. This may be described as the 'railway revolution'. However, at the same time it contributed to the decline of the long distance trade.¹⁰ Portage continued in the Interior but mainly for short-haul transportation to the nearest railway station or inland port. In so far as the inland ports depended on trade with the Interior they declined. However, the trade which originated in the Coastal Belt continued on the same level.

Lorries began to be used during World War I, but their effect was limited during the inter-war period. At the time they were seen only as auxiliary equipment to extend the existing transport systems. Thus some roads were constructed from the railway stations north- or southwards, and others from the inland ports eastwards (see Chapter 6). The latter revived the inland ports and blurred the boundary shown in Map II. Only in the central part of the Coastal Belt, near Freetown, did the boundary still exist to separate it from the Interior during the inter-war period.

After World War II the lorry made a much greater impact and it may be said that Sierra Leone experienced a 'lorry revolution' in the 1950s and 1960s, which transformed nearly the whole territory into a series of areas of low transport costs. The lorry revolution brought portage to an end, except for short distances, and undermined rail and water transport. Al-

though the disappearance of portage and the decline of water transport received little attention, the losses of the railway were a matter of great concern because they had to be borne by the Government.

Improved transportation was a major factor in the enlargement of the exchange economy in Sierra Leone and both the railway and the lorry revolution boosted trade.

2.2 European participation in trade

Three periods may be distinguished in describing the participation of the European traders, each with its own characteristics:

1895-1930: expansion

1930-1950: stagnation

1950 to the present: redeployment

The first period saw a rapid expansion of European enterprise, especially until the outbreak of World War I. The declaration of the Protectorate and the construction of the railway inspired new optimism in European traders, which was reinforced when health prospects improved.¹¹ The expansion was in the first place a geographical advance: some European traders established branches in the Interior in the most promising railway towns.¹² As the railway advanced only slowly, the establishment of these branches was spread over two decades and possibly even longer, because the war interrupted investment programmes. Also, the establishment of a network of branches required both capital and personnel, which could be obtained from Europe more easily by those traders who incorporated their enterprises. While independent European traders were still in the majority around 1900, the company had become the typical form of European enterprise in the 1920s. Some of these companies were of a different class from the rest, for instance CFAO (Compagnie Française d'Afrique Occidentale), SCOA (Société Commerciale de l'Ouest Africain), PZ (Paterson, Zochonis & Company), GBO (G.B. Ollivant & Company), and the African and Eastern Trade Corporation. These big companies had their head offices in Europe and operated in several West African countries. As they were similar in structure and operations, a collective description was useful. They have been called expatriate business houses or simply 'the firms'. In this book they will be referred to as the Companies, or, more elaborately, the European trading companies. It is impossible (and also undesirable) to treat the Companies in Sierra Leone in isolation, without reference to the operations in other parts of West Africa. In fact, the

situation in the other, bigger colonies may well have influenced the policy of the Companies in Sierra Leone. It must be remembered that basic policies were formulated in Europe and that there were sound reasons for having a uniform policy and organization in each territory. We have made use of information about the operations and policies of the Companies in other territories, notably in Nigeria and Ghana, but some deviations from the general policy may have occurred in Sierra Leone. Details will be given in Chapters 3 and 5.

Although the move into the Interior dominated the period 1895-1930, two other developments must be mentioned here. Around 1900 the Europeans began to sell more on the retail level: before that time they had been primarily wholesalers.¹³ Again, this indicates a more ambitious approach. When the branches along the railway had been completed, the branches in the Sherbro area (the former factories) were modernized and tied more closely to Bonthe. European enterprise during this first period should be described as expanding, optimistic, vigorous, and tending towards large-scale, well-run organizations.

In 1930 the mood of the European traders changed from optimism to pessimism. This must be attributed specifically to the crisis which started in America in late 1929, but it cannot be overlooked that even in the 1920s there had been signs that the Companies were becoming less determined. The pessimism led to a withdrawal of European capital and personnel. Some amalgamations of Companies were justified on the grounds that they would permit such a withdrawal.¹⁴ Also, the crisis wiped out much European capital, forcing the luckless owners to return to Europe. But although the withdrawal of men and capital brought about a weakening of European commercial enterprise, the reorganization which took place simultaneously bolstered it up. For the time being we must assume that the two effects were of equal but opposing strength and led to a period of stagnation.¹⁵

Geographically, the policy of the Companies in this period could be described as 'holding the line'. They did not advance farther inland after 1930, although they had planned in their optimistic days to establish branches in all parts of the country. They decided in 1930 to be content with the frontier of penetration which they had reached by then and to leave the areas beyond this frontier unworked.¹⁶ The Companies undertook extensive reorganization of their commercial networks in the depression years, closing as many branches as possible. Amalgamations and 'gentleman's agreements' enabled them to eliminate geographical duplication, that is the operation of two or more branches in one town. But no

town or village in which they had operated was abandoned: at least one building was kept open. For twenty years the Europeans succeeded in holding the line, although they found it difficult to do so during World War II.

There was a revival of confidence in the post-war period and the Companies formulated new policies. The United Africa Company (UAC), the company which succeeded the African and Eastern Trade Corporation in 1929, described its new policy as the redeployment of capital and manpower, that is 'the withdrawal of capital and manpower from established lines of business' and 'the reinvestment of the released resources in new lines'.¹⁷ Roughly speaking UAC and the other Companies withdrew capital from trade and invested it in manufacturing and services. Significant, for instance, were the investments in the field of after-sales service, which were necessitated by growing imports of technical goods.

For our analysis the withdrawal from trade is important, consisting as it did of a geographical withdrawal, and a systematic withdrawal, that is by section, division, or department. The geographical withdrawal began in about 1950 in the villages at the periphery.¹⁸ It meant the closing of branches and the sale of buildings, and was a move back to the ports. By 1968 the Companies operated in only seven towns in the Interior: Bo, Kenema, Koidu, Makeni, Blama, Segbwema, and Pendembu.¹⁹ It is illuminating to contrast this policy with that of the first period: then there was advance and penetration, now there was withdrawal and retreat. The contrast should be emphasized because it helps us to understand the precarious position of the Companies in the second period, when for twenty years they were suspended between expansion and withdrawal. It also explains why they could not speak with confidence about their plans and policies in the second period.

Most of the new activities undertaken under the redeployment policy were located in or near Freetown. There was therefore a concentration of operations and consequently a reduction of the time which managers had to spend in travelling and inspecting. The pre-war situation had been characterized by many compounds scattered over the country. The situation which the Companies achieved in the post-war period was one of fewer compounds, the majority of which were concentrated near Freetown.

Systematic withdrawal from trade occurred in the retail trade for instance. In the 1950s the Companies ceased selling at the retail level in many places, even in those where they retained their branches. Later on some gave up produce buying as well. Then, in the 1960s the Companies withdrew from the import trade in certain lines. But in spite of all these forms of withdrawal it should not be assumed that the trading turnover of

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the Companies fell. On the contrary, the diamond boom, and the general increase in prosperity, greatly increased the turnover.

2.3 *African participation in trade*

Before 1895 the people in the Coastal Belt had a considerable lead over their future compatriots in the Interior. This advantage was so great that I have introduced two separate groups into our analysis: the Coastal Africans, that is the Africans living in the Coastal Belt, and the Interior Africans, that is those who lived in the Interior (see Map II).²⁰ The Coastal Africans possessed commercial skills and experience. There were hundreds of traders (exporters, importers, and middlemen) among them, each with his own store or shop. More important perhaps, there were tens of thousands of farmers who practised commercial agriculture or were familiar with it.²¹ British money was used in many places and imported goods, techniques, and ideas had spread widely. There was sufficient trade to encourage independent transporters to operate Bullom boats and schooners in the Coastal Belt. Another sign of the magnitude of the trade before 1895 were the market buildings in Freetown. The bigger ones were all located on the waterside of the city and testified to the concern of the City Council for proper spacious buildings to attract traders and farmers who could supply the urban population with food. All agricultural surpluses were taken to the ports, where they were split into exports and urban food.²² The best sites for shops were also on the waterside.

One group of Coastal Africans, the Creoles, have received special attention from scholars.²³ Their history was different from that of the other Coastal Africans, and so were their political and social institutions. In the 20th century there has been a tendency to emphasize the contrast between the Creoles and the rest of the population of Sierra Leone. As a result the similarities between the Creoles in the Colony and the other Coastal Africans have often been overlooked. This is a pity because it has bedevilled the understanding of African participation in trade.

In this section we wish to describe the commercial history of the Interior Africans and the Coastal Africans separately, so as to provide a clearer insight into their economic position.

There are several indications that there was little trade in the Interior in the 19th century.²⁴ When 'stranger traders' (Coastal Africans, Europeans, or Lebanese) first penetrated the Interior, the people there were inexperienced in commerce, but gradually they learnt about trade and

money. The period 1930-1950 was one in which they caught up rapidly. This was due to the slowing down of the European efforts and to low produce prices which formed a strong incentive to look for the best terms of exchange. Yet it was not until 1950 that the Interior Africans started businesses of their own,²⁵ opening shops and beginning to buy produce. Much of their enterprise was diverted to the diamond fields from 1954 on, but the capital and experience gained there was later used as a basis for new ventures, mainly in trade and transport. The mobility of the Interior Africans increased greatly after 1950 and many of them drifted to the towns, including the towns of the Coastal Belt. The majority of the petty traders who operated in Freetown in 1970 could be described as Interior Africans.

The commercial history of the Coastal Africans after 1895 is more complex. The people in Freetown benefited a great deal from the construction of the railway and from the expanding colonial administration. There were numerous opportunities for employment, including jobs in the Interior with the railway or the Companies. In many ways the Africans who had advocated the railway and the declaration of the Protectorate proved to be right, but at the same time the leading Creoles felt frustrated: the Creole officials were given less responsibility than they had expected, and even the bigger traders could not expand their businesses as fast as the Europeans, because they could not draw on reserves of capital and personnel from Europe. However, this frustration was not accompanied by any real losses or by an absolute decline, for prosperity in Freetown was great, at least until the outbreak of World War I.

The Coastal Africans elsewhere also benefited from the commercial expansion after 1895, but much less than in Freetown. The Companies expanded in Sherbro and many people of that area became storekeepers for the Companies, both there and in the Interior. In the Northern Rivers area, where the Companies invested little, African traders continued to play an important role.

The crisis of 1930 hit the Coastal Africans just as badly as the Europeans. Many men who worked for the Government, the railway, or the Companies lost their jobs because of reorganization and retrenchment. The Census of 1931 reported an exodus of Creoles from the Protectorate.²⁶ Furthermore, many traders were ruined or undermined by the crisis. The effect in Freetown was worse than in Sherbro and the Northern Rivers where the new roads provided a partial compensation for the low produce prices (see Chapter 6).

In the third period, that is after 1950, many new opportunities opened

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up for the Coastal Africans, mainly in the form of good jobs in the civil service and with the Companies. By 1970 the lead of the Coastal Africans over the Interior Africans had become much smaller. Naturally, this was a source of frustration to them. For a proper evaluation of the position of the Coastal Africans it is necessary, however, to study the redeployment of their capital and manpower which has taken place in the 20th century. Mobility has blurred the distinction between Coastal and Interior Africans — including the descendants of both groups — but any Government would be well advised to take the distinction into account when studying measures to promote African enterprise.

2.4 *Transport and commercial organization*

The advent of both the train and the lorry caused changes in the organization of commerce by favouring a particular size of enterprise and a particular pattern of operation. There was a change from small- to large-scale operations after 1895 as a result of the new railway, and a change in the opposite direction after 1950 as a result of the lorry revolution. This section contains an explanation and elaboration of these changes.

Before 1895 small commercial enterprises were the rule in Sierra Leone. Neither agriculture nor transport favoured large enterprises. Cargoes transported in the Coastal Belt were limited by the size of the Bullom boats which could carry up to ten tons. Such trends towards large-scale operations as there were resulted from the use of larger ships on the route between Europe and West Africa, and were confined to Freetown and Bonthe. The prevalence of small enterprise made for widespread economic opportunities and the absence of monopoly powers. Thus the Coastal Belt possessed a well-established competitive commercial system.

The railway in contrast favoured large enterprises. Consignments of produce railed to Freetown were much bigger than the cargo of a Bullom boat and only bigger exporters were equipped to handle them. Furthermore, rail consignments were unaccompanied, a new feature in trade inside Sierra Leone. This was cheaper, but could be used only by enterprises which had employees in Freetown as well as in the branches along the railway. The telegraph system along the railway enabled the employees in the different branches to remain in touch with the management in Freetown and vice-versa, and thus consignments were met on arrival. The railway favoured integrated companies, each with a head office in Freetown and several branches in the railway towns. This technical factor

reinforced the reasons for the emergence of the Companies which we gave in Section 2.

Both the railway and the Companies were multi-compound organizations with exacting logistic problems and an immense task of inspection. Their managements, located in Freetown, tended to cope with their tasks by policies of centralization, as, for instance, in the field of stocks and personnel. The affinity between the railway and the Companies expressed itself in consultations: in times of expansion, about future plans; in times of depression, about reorganization. The period 1930-1950 saw a close and effective alliance between the Government (as owner of the railway) and the Companies. The railway needed the patronage of the Companies as a major item of revenue, and the Companies needed the railway to preserve the pattern of their operations.

An increasing number of lorries came on the roads in the 1950s and a shift from rail to road occurred. The speed of the lorry was much appreciated by the traders in the Provinces. If a trader had excess stocks of produce, lorries which ran a shuttle service to Freetown could evacuate the stocks faster than the train could. If, on the other hand, he ran out of stocks of merchandise, the lorry could fetch new supplies more quickly than the train could. These new possibilities for the traders in the Provinces had to be matched by changes in Freetown where the Companies had to increase their stocks of merchandise, and where additional produce stores had to be built. As soon as these were provided, the traders in the Provinces could fully exploit the flexibility of the lorry. At first they were anxious to possess their own lorries, but later they were content to rely on independent lorry operators.

If the Companies had continued to operate in the same centralized way as before, their branches would have been unable to compete with independent traders. In fact, the Companies foresaw these problems and decided to withdraw, as we described in section 2. By dismantling their multicomponent organizations they reduced the tasks of inspection, of stock control, and of personnel management.

Most of the abandoned compounds were taken over by independent traders, so that a kind of commercial fragmentation occurred which was assisted by an improvement in the telephone services and by the willingness of lorry drivers to take letters and messages from one trader to another.

Unlike the Companies, the railway, the other multi-compound organization, could not withdraw piece-meal. It continued to operate but incurred increasing losses, until finally, in June 1967 the Government had the

courage to announce that it would close down the railway. A start was made in 1969 when the branch line to Makeni was closed.

It is possible to see a general association between inland water transport and the Coastal Africans, between the railway and the Europeans, and between the lorry and the Lebanese and Interior Africans. Thus, this section would seem to suggest that the transport situation in Sierra Leone favoured the Coastal Africans before 1895, the Europeans from 1895 to 1950, and the Lebanese and Interior Africans after 1950.

2.5 The European concept of commercial development

The dominant view among European businessmen in the period 1895-1930 was that development could, and ought to, take place through trade; by trade they meant the exchange of European products for African products. They wanted to buy tropical produce which did not grow in Europe and they wanted to sell manufactured goods which could not be made in Africa. Trade, as envisaged by the Europeans, consisted of an outflow of produce (see Chapter 3) and an inflow of general merchandise (see Chapter 5). Both the collection of produce and the distribution of general merchandise formed part of this trade. Nevertheless, the export stage for produce and the import stage for merchandise were crucial: it was there that the important decisions were taken and trends could be spotted. The Companies were therefore anxious to control the export and import stage and to direct their operations from Freetown, the point of export and import. They described their operations as the two-way trade,²⁷ and it must be noted that not only in the harbour, but at each trading point there was a produce flow in one direction and a general merchandise flow in the opposite direction.

The exchange concept was very influential, mainly because of its simplicity. It was understood by the African farmers in spite of the language barrier. The simplicity was, however, deceptive. It concealed the problems of organization and infrastructure. The European traders allotted to themselves the role of shaping the pattern of the trade flows, including the channels and the 'valves',²⁸ and of constructing and managing the necessary buildings. They also undertook to provide the capital to finance the stocks of produce and general merchandise that would be stored in these buildings. By allotting the trading role to themselves, they became more interested in a large volume of trade than was their counterpart in the exchange, the African farmer. We shall see in the following chapter

how they tried to boost the volume of the produce trade. But even in their enthusiasm the Europeans did not suppress the African farmer. The farmer was free to produce and free to trade. This freedom was a source of pride for the colonial administration. One author has concluded that the farmers in West Africa had 'of their own free will responded to the price inducements of a world-wide market'.²⁹ The voluntary response of the farmers was proof that they shared in the benefits of trade. This was intuitively clear, but could also be proved by economic theory. Nor was the African farmer supplanted: there were several proposals to establish plantations, and to transform the African farmers into plantation labour, but very few were realized.³⁰

The exchange concept implied direct trade between the farmers and the European traders. To this end they established a wide network of branches, but even the strongest Companies soon discovered that there were too many farmers and that they lived too far apart.³¹ The Companies abandoned the idea of direct trade and a gap opened between the majority of the farmers and the Companies. It was in this gap that the Lebanese ensconced themselves under the approving eyes of the Companies. As auxiliaries of the Companies they were shopkeepers in the general merchandise flow and middlemen in the produce flow. Typically, the Europeans have shown a preference for the word 'middleman' in their comments about the Lebanese. This corresponds with their general bias in seeing the produce flow as the basic element of the two-way trade and the general merchandise flow as the subsidiary element.³² The Europeans overlooked the fact that the African farmer held the opposite view: his purpose was to obtain general merchandise. This forgotten 'African bias' will be dealt with in Chapter 5.

Behind the exchange concept was a comprehensive view of the development of Africa. The Europeans took it for granted that Nature was rich in Africa. They assumed that there was wealth in the form of fertile soils, a favourable climate, and perhaps minerals. They also concluded too hastily that the Africans had been unable to exploit this wealth because of their ignorance. The great opportunities would continue to lie idle unless they were developed from outside with the aid of scientific knowledge, experience, capital, and tools from Europe. Each individual who possessed these ingredients was welcome: Englishman, Frenchman, African, and Lebanese, and his contribution to development would determine his position. The development of Africa was seen as a high ideal that ought to unite people and override racial and national differences. How ever often this ideal was eclipsed by greed, laziness, and prejudice, it would be

foolish to deny its existence and influence. We found in our research that it had considerable influence in Sierra Leone in the period 1895-1930.

Every economic crisis reveals latent conflicts. The crisis of 1930 brought such an exposure in West Africa. Harmony and unity were swept away and separate groups, notably the farmers, the middlemen, the Companies, and the Government, were recognized as having disparate and conflicting interests. Worst of all, these economic groups belonged to different races and nationalities. In Sierra Leone the farmers were Africans, the middlemen Lebanese, the Companies British and French, and the Government, although British, had to represent African interests. Between all these groups conflicts existed or were suspected. As the depression continued, suspicions deepened and the conflicts compelled the Government to study the situation in case it would have to intervene. Two major questions emerged: Did the African farmers benefit from the trade system established by the Europeans? And if so, was their gain not too small compared with that of the European Companies? These questions were asked everywhere in West Africa, in Nigeria and the Gold Coast with more insistence than in Sierra Leone.³³ Africans accused the Europeans of abusing their position — loosely described as monopoly — to influence prices to their own advantage. The view that there was a conflict between African and European interests, and between British and Sierra Leonean interests, gained strength. Racial tension and nationalistic feelings were increased by the crisis.

The political position of the Companies changed as a result of the crisis. They came to be called 'extra-territorial'³⁴ or expatriate companies. This recognized the fact that their interests might conflict with those of the territory in which they operated. The Companies were affected internally, too. The European employees feared further reorganizations which might affect their own position. Yet few dared to resign and return to Europe because of the serious unemployment problem there. They were also discouraged by the accusations which were levelled at the Companies, feeling that their work was being maligned. The African employees, all Coastal Africans at that time, suffered, too. Many of them lost their jobs, and those who were retained felt anxiety about their future. Moreover they found it harder to serve loyally in a Company which was accused of serving the interests of Europeans at the expense of Africans.

Considering the severity of the storm, it is surprising how much of the European concept survived and manifested itself again in the third period, that is after 1950. For instance the Government tried to return to the old situation, but with important modifications suggested by the cri-