

*David Himbara, Kenyan Capitalists, The State and Development
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David Himbara's work is deeply immersed in the theoretical fluidity and profound pessimism that have become the hall-mark of African studies in what Tiyambe Zeleza (1994) christens the era of disintegrating paradigms and Afro-pessimism. The emergence of new perspectives in the study of the crisis of capitalism in Kenya has been explained from the point of view of growing disenchantment with the three dominant approaches, namely, neo-classical, dependence and Marxist, which have dominated the scene in the last two decades. Of the three, the dependency discourse, whose parameters were set by, among others, E.A. Brett, Colin Leys and Stephen Langdon, has been the most influential. Dissatisfaction with the dependence approach arose from its tendency to explain the African crisis from the 'colonial past' and external economic linkages, to privilege exchange against production relations, and to ignore the historical realities of African life and subjectivity (Penelope Hitherington, 1993).

The new perspectives reject the intellectual heritage of 'pure' theories that 'tend to produce abstract discourses that either dismisses the possibility of peripheral transformation or grossly overstated its actual potential accomplishments in order to 'prove' their respective approaches right' (Himbara, p.XIV). Instead, they have emphasized the production as opposed to exchange relations, intra-class, racial or gender segmentations as opposed to lumping together the population under such rubrics as 'peasantry', 'proletariat', and so on. Himbara's book which is developed from his doctoral research work, on the relationship between 'Kenyan capitalists' and the state fits in perfectly with the new perspectives.

From the outset, Himbara makes it unambiguously clear that the bona fide 'Kenyan capitalists' are the 'Kenyans of Indian extraction' who, he argues, have been omitted by the vast bulk of the literature on Kenyan capitalism: 'literature on the Kenyan capitalism largely misses the mark because it either omits or misconceptualizes as 'Asian capital' the principal segment of the domestic bourgeoisie' (p.192).

The author employs a two-pronged argument in defence of his thesis that 'Indians' are the bona fide Kenyan capitalists. First, he contends that local Europeans 'were almost never an important force and were decisively defeated by Indian commercial and industrial capitalists during the colonial period', an argument that runs through Chapter three (p.xiii). Second, in spite of the heavy financial support that Africans received from the state, especially through the Africanization programmes, the author argues, their

entrepreneurship failed as a result of lack of managerial skills and cultural encumbrance. Thus, they have merely remained 'capitalists-in-information' (chapter three). He further contends that the 'Kenyan Indians (are) the most skilled and the most technically competent segment of the country's domestic capitalist class' (p.192). He blames the failure of capitalist development in Kenya to the absence of a state apparatus to take advantage of these qualities of the Indians.

To buttress his arguments, the author relies on data from assorted sources whose spine is the data gathered from interviews with overwhelmingly Indian informants from a multiplicity of sectors, and a plethora of secondary sources. Chapter one offers a critique of prevailing literature on the basis of its theoretical superfluity and misconceptualization of Indian capital as 'Asian capital'. The author argues that the Indians constitute an important segment that should be studied distinctly. But he offers no analytic alternative to the concept of 'Asian capital'. It would appear that with the growing strength of Kenyan Arab capitalists who dominate the long-distance transport, clearing and forwarding and strategic areas in the manufacturing sector, and the massive influx of other categories of Asians from Malaysia, China, South Korea and India itself, rather than declining, the usefulness of 'Asian capital' as an analytic category, of which Indians are an integral part, is on the ascendancy. Focus is likely to turn on the internal dynamics and relationships within and between the various segments of the 'Asian capital'.

Chapter two traces the historical roots of Indian capital from the Arab 'plantation' and 'slave' economy, and its expansion during the colonial period. It was during the latter period that the Indian capitalists developed their entrepreneurial acumen, and that Indian merchant capital grew into industrial capital. There is need, however, to make a distinction between this 'historical' and 'local' Indian capital that came in after independence with the creation of investment opportunities. Perhaps the latter forms the dominant segment of the Indian capital. Is it not true that most Indians have triple citizenship - Indian, British and Kenyan - and most of them are merely 'economic prospectors' and therefore, not dependable in the process of nurturing an independent process of capitalist development?

The author explains the crisis of African capitalism in Kenya from the point of view of lack of managerial skills and extended family and ethnic ties which hinder the process of capital accumulation. But he does not explain the extent to which colonial policies, such as the confinement of Africans to the role of supplying labour, and their gross undercapitalization determined the low level of African entrepreneurship. True, the post-colonial policy tended to concentrate on channelling capital to Africans through a plethora of bodies rather than nurturing their entrepreneurial skills. This led to the collapse of most African business or their take-over by Indians. But the failure to focus on the factor of 'undercapitalization' in the African

capitalist crisis has led to the undue romantization of the Jua Kali (informal) sector by the author, as 'a sphere in which potential African entrepreneur have been gathering momentum...' (p.12).

In chapters four and five, the author is concerned with the role of the state in the crisis of capitalism. He romantizes the colonial state for propping up Indian capitalism, and demonizes the post-colonial state for its failure to 'take advantage of the Indian skills and resources'. Through the Africanization programmes, the state backed the wrong horse, the Africans, and persecuted the goose that lays the golden egg, the Indian capitalist.

It, in the final analysis, degenerated into 'a predatory, corrupt and counter-productive' devise of capital accumulation and peripheral transformation. The author omits a very crucial aspect of the degeneration of the state: the role of the Indian capitalist. The relationship between the state, or specifically the successive African elites at its helm, and Indian capitalisms has not always been sour. At the extreme, there are numerous instances where Indian capitalists have abetted or promoted state corruption! Indian capitalists played a central role in the 'political Banks' scandal where these banks served as conduits of siphoning billions of the country's foreign exchange before they were closed down in 1993 in the face of mounting pressure from the donors. One Kamlesh Pattni, a young Indian billionaire, in cahoot with senior government officials, swindled the Central Bank of Kenya of over 18 billion shillings in the form of export compensation for a dubious 'export' of gold and diamond between 1990 and 1993.

In the face of growing corruption, state authoritarianism and violation of human rights, the author argues in chapter six, the donor community stepped in and pressurized the government to end corruption, improve its human rights record, and to liquidate or privatize parastatals. Because of the pre-occupation with 'internal' factors, the author down-plays or omits the international dynamics that engendered this donor intervention. It also appears necessary that the author should have examined the relationship between Indian capitalists and international capital. Are Indian capitalists the possible heirs to or beneficiaries of the imminent liquidation of 'state capitalism' in the wake of donor pressure?

The subject of Indians' involvement in East African economic development in general, and Kenyan in particular, has stirred deep emotions of economic nationalism which in the 1970s culminated in the expulsion of Asians from Uganda by Idi Amin and the confiscation and take-over of their property by Africans. In Kenya, anti-Indian economic nationalism took a violent turn in August 1982 in the wake of the abortive coup; Indians' shops were looted and property destroyed. The drama was reenacted, in a lesser degree, during the multi-party riots of 1991. Unlike Zeleza (a Malawian), who has carried out extensive research on Kenya capitalism, Himbara (a

Rwandese) lacks the deep insight of the internal cultural, economic and political dynamics that over the years have made the Indian in the eyes of the African a villain rather than a victim; a target of economic nationalism who is not revered for his entrepreneurial acumen but despised for his cultural aloofness and unscrupulous exploitation of the African. Himbara's analysis rides roughshod over these deep-seated emotions. In the end, his book emerges as a bold apologia for Indian capitalists in Kenya, whose timing coincided with the mounting of anti-Indian sentiments amidst revelations of mega-corruption involving Indian businessmen. Perhaps the fitting title of the book would have been 'Indian Capitalists, the State and Development in Kenya'.

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