Lebanese Entrepreneurs in Senegal: Economic Integration and the Politics of Protection.
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Lebanese Entrepreneurs in Senegal:  
Economic Integration and the Politics of Protection

Stranger-trader communities, of which the Lebanese in Senegal are an interesting example,
appear characteristically to be outsiders in the social system of the country in which they work, while being at the same time crucial to the integration of a marketing system at a certain point in its development. Such groups often thrive initially in peasant economies where their members become middlemen between peasant growers of raw materials and suppliers on the world market. The importance of their position in this instance derives from the characteristics of a peasant economy as being relatively undifferentiated internally while having trade relations with the wider society. Such communities are usually drawn from relatively poor countries—poverty and the hope of improving their condition being the initial impetus for migration. Their members already have or rapidly acquire the skills necessary to commercial activity. Thus they provide a skill in trade and knowledge of the international trading system (often through longer established compatriots).

1. I first became interested in the Lebanese community in Senegal when I was doing a study there in 1966-67 on French expatriate attitudes and behaviour, a section of which dealt with relations between the French and Lebanese, some of which is included in the text of this article but which can be examined in detail in R. Cruise O’Brien, White Society in Black Africa: The French of Senegal (London, 1972).

I did a questionnaire survey of fifty Lebanese heads of household in May and June 1967, conducting all but five interviews myself. The remainder were done in Arabic with the help of a Lebanese student. The sample was chosen on a relatively random geographical basis within the principal Lebanese business quarter of the city. Corrections were made to include a fairly representative spread of the owners of different types of enterprise according to size and sector of activity which were matched with broad categories of activity listed by the Lebanese Embassy in Dakar. This paper is an attempt to draw together at least some of the findings of this survey, which are mentioned in the text where relevant, together with a historical introduction to Lebanese activities, and comparative examples where relevant.

In addition to the comments and suggestions on the original draft of this paper provided at a seminar directed by Professor Edward Shils (University College, London), I am indebted to those provided by Dayo Akeredolu-Ale, Donal Cruise O’Brien and Henry Bernstein.

both of which are normally absent in the peasant society. In the first phase of their activities they often distribute and collect goods cheaply and efficiently on behalf of large trading companies; services which are indispensable at a certain stage of commercial agricultural development. The system they operate becomes a logical adaptation to a local market situation where there is a low level of capital in circulation and a poor state of transport and communication requiring a multiplicity of small merchants-creditors.³

The characteristic of stranger-trader communities as outsiders in the cultural and moral system of the country where they settle may be at the same time the strength and weakness of their position. An important analytical problem in this context is to examine the means by which a group such as the Lebanese in Senegal have attempted (both individually and as a community) to compensate for their status as outsiders in the social system with a view to protecting their investment and ensuring their economic security in that country: in brief, the politics of protection. To take the principle characteristics of a stranger-trader community as outlined is, however, only a point of departure, for the integrative or functionalist orientation which it assumes would in the Senegalese context ignore an examination of the historical transformation from a colonial economic and political system to an independent national system. The relationship of the Lebanese minority to the economy and society was qualitatively different in these two phases, and their separate examination is illuminating.

Under colonial rule they were not free agents in the intrusion of the market economy (or mediators for the peasant between tradition and modernity as some might have it): they were part of an exploitationary economic system on which a colonial monocrop economy depended. And their relations with the various groups in the society—colonial administrators, trading company agents and directors, independent European and African traders, peasant clients—were determined by their position in this system. Secondly, while being vociferously attacked by their French competitors, they were protected by the inaction of the colonial administration in the face of their increased influx principally because they were so useful to the big French commercial companies which dominated the trade of the colony (and whose interests were the business of the colonial administration). Thirdly, they did not remain entirely alien to either dominant group—French or Senegalese. They were rather alien to the colonial relationship—being neither ruler nor ruled, nor involved in assimilationist practices in the colony or the propagation of the hegemony of French civilisation and culture. This was a factor which was helpful to them in dealing not only with Senegalese consumers and clients, but in later years with politicians and civil servants. They showed a respect for African social organization and leadership (often

lacking among French competitors) and while the more prosperous and educated among them were very francophile, they assimilated to neither group. In this they contrast sharply with Lebanese elsewhere.

The Lebanese in Senegal are only one strand of world-wide network of emigration. The different responses of the emigrant community to the dominant society in which they choose to live may be affected by a number of variables, including size of the community and relation to the country of settlement, modernisation, geographical location, etc. And responses within the community itself vary according to the historical period of migration, age and wealth of the emigrant and his entrée into the new environment through family or friendship connections. In the US, for example, the Lebanese response to the new environment was almost totally assimilative, contributing factors being that the Lebanese were one among many emigrant groups and that the country was so much more modern and prosperous than that which they had left. And in Brazil, the Lebanese retained more of their cultural and linguistic ties while integrating themselves socially and economically with the culturally heterogeneous élite and benefiting from the commercial and industrial development in that country.

Whatever the cultural factors of their integration or lack thereof in the host society, one crucial difference between Lebanese in West Africa and those who crossed the Atlantic was that the latter group started with more initial capital—necessary to pay for the passage. Emigrants to Dakar were on the whole the poorer ones who gathered on the quays of Marseille, the first major selection station on the journey from Beirut. Many who were at the mercy of local sharks thought they were buying tickets at cut-rate for these places and were in fact put on boats to Dakar. In contrast with the Lebanese in West Africa, those who actually made it across the Atlantic have generally done very well in economic and professional terms—whether a reflection of the difference of talents and intelligence between the two groups, or different levels of national development and prosperity, or a combination of both.

The cohesiveness of the Lebanese community in Senegal, its internal stratification and other factors of social differentiation, and the emotional and practical attachment of the Lebanese to their national homeland, are all matters which I shall consider in a further paper on the subject wherein the French in Senegal shall be compared with the Lebanese. In very general terms, the Lebanese community is far from homogeneous—and internal stratification (whether religious or socio-economic) has always been accentuated by vigorous competition among them. There is an apparent bifurcation among rich and poor which developed over the years and which is often manifested in life styles. The rich seem more French in attitude and behaviour and the poor, more Senegalese. I have not chosen to examine in any detail the many complex aspects of cultural and social integration in this paper, the analysis of which is directed towards a comparison of the economic and political role of the Lebanese
in colonial and post-colonial society. The concentration on a group response is perhaps most relevant in economic and political terms, although I make a series of qualifications to this throughout the text.

**Origins and Early Success in Trade**

The first Lebanese trader to arrive in Senegal, a man called Issa (whose family is still there) came about 1860, but between that time and 1900 the number of his compatriots who came to settle increased to only about one-hundred. As is typical of the Lebanese pattern of emigration, relatives and friends were encouraged to follow those who had paved the way—in this case coming especially from the very poor villages in the south of Lebanon. Since new migrants went out to Africa usually to help expand the business already set up by their benefactor, it was often possible to find a pattern of settlement from one village to a small town in West Africa or a particular urban neighbourhood.

Most of those who came to Senegal were from Tyre, an area which had formerly been part of Syria but became part of Lebanon in 1920.4 The original group were Shi’ite Muslims who came from the least developed region of the country which was little affected by Christianity or the spread of education. Later Lebanese emigrants included Maronite Christians, also of poor urban or peasant background. Some began as street peddlers in Dakar, Saint-Louis and Rufisque with no fixed installation; their numbers increasing to 500 by the opening of the First World War.

Following the war, the establishment of a French mandate in the Levant enormously facilitated the consular arrangements for further emigration. This occurred at a time when the prosperity of Dakar, which had become the capital of the Federation of French West Africa and its trading centre, were assured. The groundnut trade in Senegal, which had been established seriously by the French from the middle of the nineteenth century, was expanding as the world demand increased. The enlarged volume of the groundnut crop5 and the geographical area it covered made the old system of direct purchase by the trading companies from the peasants unworkable. The companies were obliged to rely on

4. There has often been some confusion about whether the Levantine population in West Africa were in fact Lebanese or Syrian, the origin of which lies in part of this accident of history. Some authors point out that the Lebanese have always regarded themselves as more cultivated and cosmopolitan (the descendants of the Phoenicians) than their Syrian neighbours to the south. See Nicolas Ziadeh, Syria and Lebanon (London, 1957), and Philip K. Hitti, Lebanon in History (London, 1957). In Senegal, the use of the term 'Syrian' to describe the Levantine group was usually encountered in the most derogatory circumstances. There have never been but a handful of Syrian nationals in the country.

5. Groundnut exports from Senegal rose from less than 15,000 tons in 1898 to more than 500,000 tons in 1930. H. Deschamps, Le Sénégal et la Gambie (Paris, 1964): 72.
traitants or middlemen who would buy from the peasants at their fields and transport the produce to a provincial trading centre. The Lebanese immigrant filled this function admirably. From 500 in 1917 their number grew to more than 2,300 by 1936. In this period, the Lebanese migrant had a choice of continuing the earlier pattern of establishing in business as a street vendor and eventually buying a small pavement location in the city with the small capital accumulated. But there was still much scope for setting up as an agent or middleman in the groundnut trade. Although in the early years of the trade, Africans were used in this type of job, they were at this time persistently excluded as company agents in the interior by the major trading firms, leaving the field open to the French and Lebanese.

The Lebanese were given a considerable boost in establishing themselves in the trade at this time by taking over posts left vacant by Frenchmen who returned to Europe to do military service during the First World War. Along the trading circuits of the interior, the Lebanese and French middlemen were not however initially competitors. The isolation, poor living conditions and necessary mobility of the traitant were as unattractive to French expatriates as the meagre profits of the trade. That the Lebanese were better adapted than the European to the mode of living and commercial demands found in Africa was apparent: they were poorer and in greater need than the corresponding European group who settled in Senegal at this time. There were several prosperous Senegalese merchants who were important in the groundnut trade from its early years and who, it has been argued, were gradually pushed out of their lucrative positions by the four or five major companies which found the Lebanese to be more co-operative and less independent as agents of their interests, and less expensive to maintain. The Lebanese at this stage were almost all single men with no family responsibilities, who were willing to live in the margin of life to get a foothold in the trade against other competitors.

The prosperity continued throughout the twenties and encouraged more European and Lebanese company agents to strike out for themselves once they had earned sufficient capital and established the necessary contacts. European and Lebanese independent traders initially developed similar types of links with relatives or friends in other trading towns and formed small commercial circuits for the purposes of supply and credit. The Lebanese quickly gained several advantages over their European competitors. When families came out to join the celibate trader, the head of household developed a family employment structure

6. J. S. Desbordes, L'immigration libano-syrienne en AOF (Poitiers, 1938): 19. At any time the number of Lebanese in Dakar might be inflated by those in transit for other places.

7. S. Amin, Le monde des affaires sénégalais (Paris, 1970): 21-22. The colonial administration was in support of the companies’ backing the Lebanese, he goes on to argue, largely because it feared that the prosperous Senegalese merchants also nourished political aspirations in these early decades of the twentieth century.
which involved little expenditure for local labour while the business was expanding. In contrast, most Frenchmen in the trade considered it demeaning for wives or children to be in this position and therefore hired local clerks and vendors. Unlike most French traders, they were also willing to bargain with Africans, using a bazaar-type system of transaction which was familiar throughout West Africa at least since the contact with Arab traders. And by keeping running and employment costs low, they were willing to accept very low initial profits to enlarge their clientele.

In addition to buying the groundnut crop from the peasants, traders sold them consumer goods and extended credit for major purchases (such as bicycles or simple farm machinery). In these early days, the extension of credit was established on an informal basis which naturally limited the number of creditors any single trader could keep track of without records or accounts. This thereby restricted the size of each man's business. The multiplicity of middlemen operating this kind of system, however, far from being uneconomic in the market situation of the time, was actually a positive adaptation to the circumstances.8

The Lebanese trader-creditor, in turn, developed a relationship of social importance in the community, as he was invited to attend ceremonies such as marriages for which he may have provided the money. He developed a loose clientele network among creditors which was built on something more than just business transaction. The potential success of this system was obvious, especially in contrast with the practice of French traders who were often unwilling to cultivate a relationship built on an informal arrangement of trust and were equally uninterested in spending time listening to the personal and financial troubles of Africans.9

Two reasons may provide an explanation: nearly all the Lebanese were from a poor peasant background themselves and not so separated from the experiences of the African as were the European; and the Frenchman, even when he also was from a poor peasant background, was a member of a society which had a colonial ideology and mission civilisatrice that rested on maintaining a certain distance between coloniser and colonised. In competition therefore for clients, the Lebanese used whatever advantages they had as poor ‘strangers’, especially outside the cultural and social system of colonialism in which the French and Africans were bound, as rulers and ruled.

8. See extensive argument on this subject in Barbara Ward, ‘Cash or Credit Crops? An Examination of some Implications of Peasant Commercial Production with Special Reference to the Multiplicity of Traders and Middlemen’, Economic Development and Cultural Change (8), 2 1959.

9. Simmel has argued in his analytical essay on ‘The Stranger’ that some of the special qualities which adhere to such a person in a given society result from the synthesis of nearness and distance which constitute the formal position of the stranger. He therefore ‘often receives the most surprising openness—confidence which sometimes have the character of a confessional. This is related to the objectivity of the stranger, which includes a positive and specific kind of participation [ . . . ] not tied down by habit, piety and precedent’. Kurt H. Wolff, ed. and trans., The Sociology of Georg Simmel (New York, 1950): 494.
The French trading companies, whose directors were less concerned with France's 'mission' in Africa and more interested in enlarging the groundnut trade, found that the Lebanese were the obvious agents of their interests. They were essential to the diffusion of the cash payment which replaced trade through barter, and the development of centres of the trade in the interior. As the agents of the trading companies or their distributors, their continued emigration was not opposed and their positions were defended by senior officials in the colonial administration. This became even more obvious in the troubled times of later years. By the end of the twenties, the Lebanese traders in the interior seemed well-connected, and the arena of competition between them and the French entrepreneur now also included the cities. An artisan and shopkeeper class was being encouraged to emigrate directly from France. In Dakar in particular, this group faced competition from Lebanese merchants who were often aiming at the same market, and willing to compete at lower profits.

**Opposition and Support in the Colonial Period**

During the period of economic expansion and prosperity Lebanese immigration was not on the whole a source of great concern to any group in the colony, but the Depression, which made the European shopkeeper and independent trader aware of his precarious position, provided a situation which was ripe for an anti-Lebanese campaign. This group of Europeans had little leverage on local institutions and no spokesman in France. Unable to impress the administration with the importance of their case for protection, and powerless in any case to suggest a satisfactory solution, they found an obvious scapegoat in their closest competitor—the Lebanese.

The background to this situation is provided by a dramatic fall in the world price of groundnuts between 1929 and 1931. Credit could no longer be extended to the *traitants* and there was little circulation of capital to sustain the independent trader or shopkeeper. Faced with this problem the Dakar Chamber of Commerce which was the central institution for defending small French investors tried to make the plight of Senegal known in France by reviving the colonial mystique. A group of European traders and shopkeepers campaigned against commercial trusts which were 'ruining the colony' and the Lebanese who were not equipped for the 'civilising mission'.

A distinction was sometimes made between certain 'good Lebanese' (long-established in Senegal) and others, but more often criticism was carried simply to racial stereotypes of the whole group. Official reaction to the Lebanese 'threat' came from all quarters, reflecting varying assessments of the danger to the colony and its prosperity: it was thoroughly ignored by the administration and the major companies. It was the
companies, after all, which had given the Lebanese their start in Senegal and the administration which permitted their immigration unchecked.10

In 1926, the Lebanese formed an organisation which was intended to defend their interests against anti-Lebanese propaganda. But although it helped some new immigrants to secure work contracts, the Comité libano-syrien eventually dissolved into internal strife, which was to be the fate of every local Lebanese community club or organisation henceforth. There was also a community newspaper, Afrikia al-Tijaria (or Commercial Africa) which was started in 1930 and operated at a loss for five years: its failure was blamed on religious and political divisions as well as family feuds, which made it impossible to satisfy all factions. Competition, dissension and division within the Lebanese community was apparent from early days and is still a subject of discussion.

The anti-Lebanese campaign sponsored by the Syndicat coopératif économique du Sénégal (SCES) was, by comparison, at least much better organised. Despite its misleading title, its members co-operated on little else except publicizing 'the Lebanese menace'. The SCES had overlapping leadership with the Dakar Chamber of Commerce, which had since its foundation consistently excluded the Lebanese as non-French nationals. Its written appeal was made through several existing newspapers, but relied particularly on the monthly France-Afrique noire (1935-1937), 'Spokesman of the Defense of French Interests in French West Africa', which was founded for the purpose of alerting all concerned to the 'Libano-Syrian invasion' and its dangers. France-Afrique noire published statistics showing the growth of the Lebanese population, patents and shops outpacing that of the French, which were intended to sow discontent. They were indeed striking!11

The appeal was directed primarily at sympathisers in metropolitan France, but also tried to enlist the support of other Frenchmen in West Africa. This brought few concrete results because direct competition between Europeans and Lebanese was not a problem elsewhere. Most of the anti-Lebanese protests in West Africa in this period were from

10. L'immigration libano-syrienne en AOF by J. DESBORDES, a colonial administrator, was an explicit defense of the Lebanese contribution to the economy of West Africa, published in 1938. Although not written as a statement of official policy, its publication at a time when anti-Lebanese feeling among a certain section of the community was still strong in Senegal was at least indicative of the view of the administration and the reason for its inactivity on the matter.

11. They included, for example, a large increase in the number of licences to sell awarded in the colony to the Lebanese, between 1921 and 1931: 1921, 667; 1926, 709; 1931, 2,070—documented as 123% higher than those awarded to the French (France-Afrique noire, Oct. 1935: 57).

The Lebanese showed greater expansion in selling licences in the interior, compared with the French in 1935 (ibid.: 53). French: Dakar, 372; Senegal, 836; total, 1,208—as against Lebanese: 386, 1,095, 1,481.

Changes in the structure of commerce in the interior in this period revealed a sharp decline in the number of French traders and a corresponding increase in the number of Lebanese agents.
African competitors and consumers. Since the Senegalese were not used as company agents, they never came into direct business competition or conflicts with the Lebanese, a factor worthy of note in terms of later protection. An attempt was made by French businessmen to enlist the support of the Senegalese by demonstrating the evils of Lebanese employment policy and business practices. The Lebanese work traditionally in a family unit and have often been criticised by Africans for their limited employment of indigenous peoples. Despite such attempts, however, to enlist wider support, the audience of the campaign remained confined to the French in small and middle-level commerce and independent trade, inside Senegal.

Decolonisation, Nationalism and the Lebanese Position

As the Depression had been the crisis in the 1930's which provoked a fierce anti-Lebanese campaign on the part of the French shopkeepers in Senegal, the spectre of decolonisation, which was apparent throughout the 1950's, was the anticipated crisis which brought this out again with great force. Following World War Two, when Frenchmen with few qualifications and skills were officially encouraged to seek job opportunities in the colonies the reservoir of those susceptible to anti-Lebanese propaganda was enlarged. In the early 50's, there seemed to be sufficient prosperity for all, but this dwindled in the years leading up to independence in 1960, while the numbers of both Lebanese and French residents in Dakar remained high. The petit Blanc was gradually disillusioned as it became clear that great colonial fortunes were no longer to be made, nor could one be sure of any security of tenure in the colonies, given the rising tide of nationalism and demands for independence. From among this group, several anti-Lebanese organisations were formed on a supposedly multi-racial basis, which occasionally suggested the use of violence against the Levantine minority. Attempts were made to recruit Africans to protest against the Lebanese contribution to unemployment, exorbitant profits and usury. Although the administration took a strong position against the mass-hate meetings, it could do nothing effective to stop the barrage of derogatory outbursts in Les Échos d'Afrique noire, a weekly newspaper which became the successor to France-Afrique noire. Each week a new Lebanese 'atrocity' was uncovered and inflammatory stories and racist cartoons printed, for a period of twelve years, the life of the paper.

13. Irregularity of weights and measures, excessive interest rates, selling after regular business hours, and limited local employment, to name a few which were alleged.
Defence of the Lebanese position came often from strange quarters. The newspaper of the local Marxist party took up the cause, by publicising the fact that most Africans were hostile to the anti-Lebanese campaign which was purely a petit Blanc matter, and sponsored an 'Anti-Racist Committee of Republican Vigilance'. The Lebanese themselves also had a committee of their own which tried to monitor the troubles and threatened expulsions of their compatriots, and a newspaper with a brief life (1951-1953) which represented some of the frustrations of a small group of young businessmen, who wished to take positions on various matters of the day affecting Senegal. Although it took no political position on particular candidates, it carefully announced its honour and respect for all.

In the transition to independence (from the referendum in 1958 until 1960), the hostile campaign against the French assisted the Lebanese who still had not yet been the butt of any African propaganda. From the election of the first African deputy in Senegal in 1914, Lebanese businessmen had cultivated a fairly congenial relationship with African nationalist leaders, and contributed financially (often providing the major source of revenue) to their parties and movements. It was a useful scheme which paid dividends in later years and continues to do so. It is perhaps useful to reiterate that they were not competitors, as were the Lebanese with Africans elsewhere — and that during the rise of nationalist feeling they were never the butt of xenophobic propaganda. Members of the Lebanese Muslim community also contributed handsomely to the building fund of the Dakar mosque. And in a country in which the population is more than 90% Muslim this became an important source of unity — a unity often felt to be characteristically absent in relations between a stranger-trader community and the dominant social group. Lebanese businessmen not only gave due deference to Senegal's religious leaders, they were careful to be seen praying alongside Africans on holy days. Whatever concrete elements of cohesion they fostered with the African elite, it was above all, the absence of contempt or overt display of racial or cultural superiority, so much a part of the French colonial tradition, which gave the Lebanese an obvious opening to establish good relations on a personal and community level with the African majority after independence.14

From Trading to Entrepreneurship

The system of middlemen depended on a mode of commerce which was not to survive unaltered after independence. As in any peasant

14. Whatever negative feelings they may have for Africans are almost never expressed openly. And in contrast with the French resident in Senegal, I found a marked reluctance to share negative stories of this kind. This is not to say that they did not harbour such feelings, but that their position probably made them publicly reticent about them.
LEBANESE ENTREPRENEURSHIP IN SENEGAL

Economy, the growing and harvesting cycle determined the pattern of capital circulation: thus credit was required throughout the growing season for domestic and farming purposes until the harvest when the peasants’ crop would be bought directly by the middleman who had been supplying credit to his clientele. The introduction of government marketing boards and co-operatives in many newly independent countries in Africa has withdrawn direct purchase from middlemen. In Senegal such a system was introduced in 1961—the ‘Office de Commercialisation agricole’ (OCA). For some years after its inception, a diminishing number of Lebanese merchants retained the right to buy from the peasant farmer and sell to the OCA, but this practice has now ceased. The dramatic alteration of the market system naturally had a profound effect on Lebanese merchant-creditors in the interior and on the French trading companies. Following the introduction of the new scheme, credit chits given out by the co-operatives were used as a means of exchange, but the massive corruption and irregularity of business have made these less and less attractive in the credit system operated by the Lebanese independent traders at the local level. The slow and irregular return on capital also meant that the distribution of goods from wholesalers—often themselves Lebanese—was reduced.

Prior to independence, Lebanese families has spread throughout the interior of the country, unlike elsewhere in West Africa, where they generally remained confined to trading centres and major towns. Since the creation of the OCA, however, many families have migrated to Dakar or joined other compatriots at provincial trading centres. Before nationalisation all the Lebanese in the towns in the interior were involved in the groundnut trade, and of those who have remained most sell cloth or groceries or have a general store. Many of them sell to African peddlers or small shopkeepers who now provide the circulation of goods to the more remote areas of the regions. The actual amount of assured business lost through nationalisation was greater than just total receipts for groundnuts: previously the peasants had been tied clients (requiring credit throughout the growing season), but now they only come to the shop if they wish to, and can seek out another merchant for a better bargain, thus breaking down the loose clientele structure of business which had been established during the colonial period. Outside the groundnut growing region, the few Lebanese families who remained are more widely scattered.

The progressive reduction in the price of groundnuts in the 1960’s reached near-crisis proportions in recent years, meaning much reduced prices paid to the peasant growers and little capital in circulation. Since groundnuts continue to provide more than eighty per cent of the country’s exports, the effect on the economy has been severe. Urban investment has been no less seriously affected. At the time of independence, Dakar ceased to be a manufacturing and supply centre for the Federation of French West Africa, and its existing installations were directed at the
comparatively meagre national market. The departure of thousands of colonial officials and French troops also precipitated an economic recession in the retail trade. One result of this situation as well as a heightened awareness of the need to make some concession to localisation of commerce, was that the first restriction on Lebanese emigration ever to be imposed in Senegal was introduced in 1964. It seems likely however, that given the declining opportunities for investment and the already large number of Lebanese in the country—18,000 in all including 14,000 in Dakar alone—15—the number of those seeking entry each year would have naturally declined in any case.16 Only a small proportion of the Lebanese minority—both rich and poor—have left permanently in this time.

The general economic recession has been very severe for the relatively poor families, most of whom do not have sufficient capital assets to enter a more lucrative business or start again elsewhere. But the more successful longer-established family business empires had some more latitude in shifting their investment or taking it outside the country. Of those interviewed in my survey only a few felt that their declining fortunes could yet be attributed to competition with African entrepreneurs. Others pointed out that although business was not very good, the Senegalese had greater buying power. The most articulate respondents felt that a lot of the dislocation and decline could have been overcome if the Lebanese themselves were willing to group together to meet the changing demands of the market. For example, Senegalese and Mauretaniens in the small grocery trade have been willing to undercut the Lebanese. A redirection of capital in this sector has included opening supermarkets and grocery chains, but this has only been done by a single family investment from among already prosperous entrepreneurs, not as a protective action on the part of a group of grocery shop proprietors.

A decline in the cloth business has been explained by a shift in buying patterns among African households. Rise in income seems to diversify spending patterns on durables and luxury items, whereas most spending in addition to food in the family budget of a peasant is on cloth and clothing.17 This could have also been overcome, it has been argued, by moving with the shifting demand to selling refrigerators, radios, furniture or cars. But in this case as well, only a small group among the Lebanese had the latitude to do so. Most of them had too little capital, and feeling themselves to be insecure as a group anyway, they took the conservative option of remaining in their existing business, even with declining profits. The assessment that the Lebanese refuse to join together in business for

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16. Actual immigration has been reduced to a trickle, although a few Lebanese have entered each year by purchasing visas or otherwise bribing officials, by “place selling” of those who retire, or more frequently by contracting a temporary marriage with a local Lebanese girl, for which purpose an agency has been opened in Dakar.
17. Interview with the director of CITEC, French textile firm, concerning market surveys done in Africa.
common advantage because of intense competition on an individual basis therefore only explains in part their lack of adaptation to the market.

In Dakar Lebanese business is still largely concentrated in a single area of the city which since the early part of this century has been virtually a Lebanese ghetto. In 1959 (when the last reliable demographic survey was taken) this area—Gambetta—had by far the highest density of shops (1 031) in the whole city, compared with 263 or 139 shops in each of the predominantly European neighbourhoods. At the most active commercial sector, Gambetta also had the greatest concentration of African workshops, particularly tailoring, which drew customers from those purchasing cloth in adjacent Lebanese shops. Among the other types of commercial establishment owned by the Lebanese in Dakar, groceries and general ‘bazaars’ have traditionally been predominant (see Table). In a few instances, these traditional type shops, with shoes, jewellery, perfume, rugs, glasses, trinkets and hundreds of other items which are open all day, evening and on weekends, have given way to chic European-type boutiques on the main thoroughfares aiming at the new Senegalese bourgeoisie, and in one particular case with Frenchwomen as shopclerks (giving added prestige). The Lebanese have taken over the retail cloth and clothing trade almost entirely from the French, for although the profits are small and the competition very vigorous in this sector, Lebanese families have been able to cover their investment by diversifying into other areas of business at the same time. This pattern of maximising possibilities for short-term profits has in part been the secret of their success up until now, but raises fundamental questions about their long-term place, if any, in the Senegalese economy.

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<td>53.0</td>
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* Inventory of Commercial Establishments in Dakar, 1959 (from Recensement (1962), fasc. 2, Table B 15).

In the wholesale trade, the Lebanese have become predominant in import-export and while they rely on French suppliers, they increasingly

do business directly with France rather than through the declining local French trading companies, the demise of which were assured by the national system of groundnut marketing. Only one or two of the traditional French trading companies, which were predominant in the commercial framework of the colony in the nineteenth century, have been able to survive without shifting their investment to other sectors. There is still acute animosity toward the Lebanese on the part of many French competitors. A typical assessment of their reputation according to French competitors was recounted to me by the Administrative Secretary of the French Import-Export Businessmen’s Association, whose job is in part devoted to monitoring Lebanese practices:

‘Naturally they are not members of our Association. Since their business dealings are all hidden and dishonest, they would prefer not to be subject to the scrutiny of other members of the Association. We require our members to obey the laws and government regulations, and the Lebanese refuse to do this.

They are ruining French business here and the Senegalese civil servants defend them because they are paid off by them. The Lebanese smuggle in a host of goods, through which they are able to undercut French shops. They have no system of accounting and no African employees. The Senegalese, in turn, complain about the high prices charged by French establishments, but we keep proper books and pay taxes. We cannot compete with the Lebanese.’

Of the Lebanese I interviewed, on the other hand, nearly three quarters of them felt that French presence in Senegal was to their economic advantage, mentioning in particular the facility of business through supply and credit, their development of the economic infrastructure and continued investment, as well as their guarantee of current economic stability through French aid. Those who owned supermarkets or other food supply shops mentioned that their trade depended on a French clientele. Few French families on the other hand are customers for clothing or other consumer durables because of the more favourable exchange of buying such goods in France on annual leave. The continued French involvement politically in Senegal was felt to be somewhat detrimental to Lebanese interests: technical assistants who still have posts in crucial Ministries such as Finance and Industry and Commerce were thought to wield considerable influence against their interests. As one Lebanese businessman put it rather bluntly: ‘We go in one day and the Senegalese says “I’ll do everything you want” and the next day the technical advisor wants it in writing, and it’s all over!’

LONG BEFORE INDEPENDENCE Lebanese businessmen invested in property in Dakar and many built high-rise buildings. Today they collect substantial rents from the Senegalese government which is responsible for housing about a thousand French families on technical assistance contracts each year. Other types of Lebanese investments have been in restaurants, hotels, entertainment, supermarkets, chemists', services (garages, dry-cleaning, travel, laundry, mechanics and metal work, carpentry), market gardening and stock-farming, all for the urban consumer market. Some of the most successful investors have concentrated on transport (passenger and commercial throughout the country), and light industry including bottling, baking, dairy, low-cost suitcases and leather goods, perfumes, soaps, milling, sweets. The proportion in each sphere of activity is difficult to estimate: a precise inventory for 1967 recorded only those types of enterprises which hired more than one employee. But since most small Lebanese businesses continue to operate by relying on members of their family to take turns in the shop, hiring Africans only on a daily or hourly basis, and thus not declaring them at the labour exchange or for social security purposes, it would tend to under-represent those thousands in commerce and services. Of 374 Lebanese enterprises employing a total of 1,895 people in 1967, 74% were commercial establishments, 10% services, 8% transport, and 5% industry. The Lebanese Consul in Dakar in the same year estimated that more than 90% of Lebanese enterprises were in some form of commerce. The size of individual enterprises according to employment figures revealed that apart from a few large holdings even those who have declared employees remain very small. Of the 374 establishments, most had only one declared employee. Only 29 had more than ten employees and of this group six had more than twenty (supermarkets and bakeries), three more had more than forty (biscuit factory, bottling, transport) and only two had more than 100 (construction and import-export).

Thus far, Lebanese investments in industry have been confined to service and processing industries, and do not include interests in the manufacturing sector, which are mainly owned by French and other European investors. In Kenya, however, such manufacturing possibilities not taken up by Europeans were initiated by Asians who made a significant impact in that sector. One may ask why the Lebanese in

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21. Interview in 1967. By way of comparison, 238 Asian businessmen interviewed in Nairobi in 1967 were found to break down as follows: 61% retailers or wholesalers; 16% manufacturing; 16% service industries; 6% builders; 5% hotel-keepers.
Three-fifths of these businesses were family-owned, and run, despite repeated warnings of the Kenya government that Asians must take on African partners. P. Marris, 'Ambiguity and Commitment: The Crisis for Asian Businessmen in Nairobi', unpublished paper presented at the VII World Congress of Sociology in Varna (Bulgaria), September 1970: 56. See also F. & W. Dotson, The Indian Minority of Zambia, Rhodesia and Malawi (New Haven, 1968).
Senegal have never exploited possibilities in the manufacturing sector as did their compatriots in Nigeria or the Asians in Kenya. There are a combination of reasons for this, the most important of which is that throughout the colonial period, they were pre-empted by French investors and barred from 'the club'. But the low level of capital the Lebanese had or were willing to invest in such enterprises, as well as the minimum range of opportunities within the sector at all precluded the possibility. Whether or not with all these obstacles removed, they would have opted for innovative long-term investment rather than hedging their bets by concentrating on short-term non-capital intensive investment remains open to speculation.

Payoff and Insecurity: The Present and Future of Lebanese Entrepreneurship

One of the significant elements in assessing the Lebanese position today, is directly related to the possibility of competition with African entrepreneurs. In this context, the africanization of the Chamber of Commerce in 1969 is a crucial factor. It was formerly a French institution which excluded the Lebanese and all but a few Senegalese, which has now been transformed to encourage and represent Senegalese businessmen who have begun to make inroads into the retail-wholesale trade. The impetus for localisation came from two African businessmen's federations, recently formed to exert pressure on the government and the Senegalese Development Bank for concessions to bolster the growth of indigenous entrepreneurship. While their position as nationals is one of their strong assets, they are not yet sufficiently numerous to threaten the long-established networks of Lebanese investment.

As the interests of Senegalese entrepreneurs and their possibilities for investment become more varied, it is not unlikely that a new anti-Lebanese campaign may be initiated for the first time in Senegal by African competitors. The potential threat is always there, though the relatively prosperous Lebanese have over the years skillfully constructed a net of protection based on a system of clientage which does not leave them as open and vulnerable as they might be.

Concerning the long term prospects of local investment for the Lebanese, much depends on how long they will be able to shift into sectors in which they are not in direct competition with Africans; that is (as they have done in the past) to be willing to take over French enterprises at reduced profits when French investors move to a more lucrative base like the Ivory Coast or return to France. The capacity for the Lebanese entrepreneur to have the latitude to shift his investment from less to more lucrative sectors outside manufacturing or to have tried to ensure the security of his position through political means is directly related to financial success. Among those I interviewed, for example,
there was a sharp division between those who said that there were Senegalese leaders who were interested in their problem, and those who felt that there were not. Those who thought that they could count on these leaders were the wealthier group of supermarket owners, industrialists, professionals or large importers. One could argue therefore, that the rich are politically safer than their poorer compatriots, although it is precisely their type of investment which would be the focus of a potential attack by Senegalese entrepreneurs hoping to reserve the most lucrative areas of investment for nationals alone.

The main advantages which the Lebanese have over their Senegalese counterparts are their skill and experience in business. From an early age a Lebanese child may serve in the shop or provide other small services in the family enterprise; he is, in effect, nurtured on the ways of business practice and is aware of his whole family participating in the enterprise. It is akin to age-grade system in the family context through which a child is given more and more responsibility as he gets older. By contrast, the son of a successful Senegalese entrepreneur would never be expected to serve such an apprenticeship since the family’s wealth and status would have awarded him a position in life which excludes working in family shops. The insecurity and potential vulnerability of the Lebanese has always reinforced their strength in the skill and talent through which they made their livelihood. And the limited channels for advancement open to their young have meant that they have been thoroughly trained in these skills.

In contrast with the African system whereby prosperous members of the family find themselves with all types of responsibilities for less fortunate relatives, the Lebanese have succeeded in making their extended family not only an economic asset in terms of labour but also in terms of links for supply and credit. Small-scale Lebanese traders and entrepreneurs have always depended on community networks to relay information and facilitate credit, which was essential to their rapid success in the colony and continues to be essential to their present position. One might, however, expect the viability of such networks to be put to the test in the case of severe economic stress or a general attack on their position by Senegalese entrepreneurs. Perhaps the most notable ‘advantage’ that the Lebanese have in business is that they have turned their vulnerability and potential political weakness to an economic success by exploiting persistently every available opportunity for earning short-term profits. They have also in a sense so moulded the structure of business and its networks in certain sectors that they themselves remain most apt to operate them.

The financial contribution which the Lebanese community makes to the present economy is, however, in no measure commensurate with the profits they earn as a group, a factor which has not gone unnoticed by the Senegalese. Many of them have no accounting system, which makes it impossible to assess their assets for tax purposes. And in addition to
avoiding payment of tax, they are notorious for involvement in fraudulent customs and excise practices. Such local labour as is hired for small enterprises is done so on a daily or hourly basis which avoids payment of social security: this is made possible by the large reservoir of unemployed workers in the cities. Finally, the amount of capital lost through the expatriation of profits to banks or investments in Europe and the Lebanon is considerable, though impossible to assess precisely. That they are able to continue to operate such practices with no effective government control is explained by a system of protection through civil servants and politicians (who also profit personally).

The system of payoff by the Lebanese operates up to the highest level in public life. It is virtually impossible to prosecute those who are involved since the practice is so general, and a balance of political forces within the single party which rules the country could be severely upset by accusation of dishonesty for which nearly all colleagues equally share the guilt. For senior politicians and civil servants, Lebanese entrepreneurs often supply the financial basis of an indigenous system of patronage or help meet responsibilities to a large family and entourage, not to speak of the subsidies necessary for their luxurious standard of living. Thus the Lebanese contribution has become essential to the network of corruption which operates throughout the Senegalese system. The most wealthy entrepreneurs are able to purchase protection and security at a high level, while the payoff by the rest of the community is usually made in the form of ad hoc payment, for a favour such as the deliberate neglect of an official rule. Thus, one commonly sees the wife of a civil servant taking her choice of cloth free of charge from the whole range of stock in a Lebanese shop, or is told (repeatedly) how spirits are imported in crates marked washing powder so that duty is not paid. This system which has until now operated fairly effectively has almost replaced a system of national taxation with a system whereby a tax is privately levied and collected by selected members of the national bureaucracy.

Following independence, national politicians seemed by design to be more interested in letting the Lebanese operate their system of protection rather than support the rise of a local bourgeoisie which might have been politically more outspoken and more of a challenge. For similar reasons, they preferred to let the Chamber of Commerce atrophy under French direction for many years rather than reform it or africanize and thus make it a possible alternative source of local power and patronage. Senegalese entrepreneurs themselves are also part of the system of national payoff and patronage, and they obviously have powerful friends who would seek to promote their interests at the expense of the Lebanese. On balance even now the demands of the Lebanese outsider remain somewhat less 'expensive', as Senegalese patronage can also mean requests for jobs for relatives—a commodity which is relatively scarce. The Lebanese make no such demands. Senegalese entrepreneurs are likely
in time to press harder for restrictions on Lebanese activities, and the response of politicians at that point will depend on a complex set of economic and political variables. Some Lebanese businessmen suggested to me in 1967 that they felt that the commercial and industrial situation seemed to indicate that there would be a future for them lasting for about another fifteen years. And for the present at least, the pay-off system by local businessmen and Lebanese continues to operate without any incompatibility, to the benefit of the national bourgeoisie and the detriment of the Senegalese peasant and the economic development of the country as a whole.

The question remains, however, how safe are their investments in Senegal and what is their future? Young Lebanese born in Senegal are naturally a crucial element in this assessment. When the last reliable census was taken in 1955, more than half of the Lebanese population in Dakar were under twenty years old. But after they attend school, what future have these young people? Positions in the civil service have in the past been blocked to Lebanese nationals—unlike to Asians in East Africa who have for a long time staffed clerical grades—so that private professional activity or business are the fields left open to young Lebanese graduates. There were in late 1960’s about ninety Lebanese undergraduates at the University of Dakar and a small representation among the staff (some of whom have been recruited directly from the Lebanon). Those Lebanese born in Senegal could presumably now enter the civil service but they have not. From their own point of view a local civil service job carries rather low prestige in the community and those with higher education often have their sights beyond local opportunities. From the point of view of civil service recruitment, so much emphasis is placed on swelling the ranks of the bureaucracy as a means of controlling potential dissidents or of local patronage, that scarce thought is given to recruiting Lebanese to the already overpopulated and underemployed state structures.

Most Lebanese businessmen I spoke to were convinced that the best future for their children lay in their acquiring sufficient education for professional qualification and a professional career rather than one in business (about which they are pessimistic on any long term basis. This depended, of course, on their assessment of their son’s individual potential. As one shopkeeper put it to me: ‘If my son is clever, he will go to University; but, if he is not, he will stay in the shop with me.’ There are about a dozen Lebanese professionals—doctors, lawyers and dentists—practising in Dakar who largely serve community needs. Young men with professional qualifications usually leave Senegal to settle in Lebanon or in Europe where their careers can be much more lucrative, and where they do not have to serve a stipulated portion of time in government service, as is the case for qualified doctors in Senegal, for example. The
sons and daughters of wealthy families in particular easily maintain contacts abroad, as they often leave Senegal for their education. Elite families are much more cosmopolitan than their poorer compatriots who remain enclosed in a local Lebanese circle; it is also they who are financially able to retain close business and social contacts with Lebanon itself. Direct contact of this kind is a measure of economic success: a rich entrepreneur may travel several times a year, while for a small shopkeeper with declining profits, even the eventual return to his homeland for retirement may itself be an earnest hope rather than a likely prospect.22

Young Lebanese who choose to remain in Senegal may either enter the business of their families, or start some small enterprise of their own. Some have done moderately well in the retail clothing trade or transport, but think perhaps of going to the Ivory Coast where prospects are better. Those few who have started large enterprises outside Dakar (which employ sufficient numbers of people) are given the same favourable concessions as other foreign investors. There is a young dynamic group which have considerable investment in the country and have applied for Senegalese citizenship as an indication of their goodwill. Legal status, however, is an act of good faith which does not give any assurance of lasting security. The Lebanese are able to hold dual nationality, always retaining the right to reclaim their Lebanese citizenship. Only a small proportion (perhaps 5-10%) of the adult community here opted for Senegalese nationality which even as a gesture is not always easy to obtain. Their privilege of being able to hold dual nationality also reduces the seriousness of this gesture in the eyes of Africans in Senegal. So long as prospects for expansion in the economy decline and pressure for localisation continues, the Lebanese are always (as were Asians in East Africa) expendable.

Those who have been described as the young and dynamic group of Lebanese entrepreneurs, who may have detached themselves from family enterprises or may be initiating a new departure within the family empire provide perhaps a key group for the future. They are readily distinguished from those young people with professional qualifications who will probably seek their fortunes outside Senegal—a small minority of the children of wealthy families. The likelihood that those with even a modest amount of capital will be more innovative in activity and investment that those compatriote interested only in quick profit will be a measure of their faith in the political system and their future in the country. For the small Lebanese business man, increased competition will accentuate his marginality in the economic system, and since his means of protection in the political system is at best ah hoc, his position is vulnerable. Those wealthy entrepreneurs who are concerned with short-term rapid profits will presumably be able to shift capital outside

22. It is really something of a community myth, for the older generation (over 45) respond automatically that they will eventually return home.
the country if their system of protection is challenged and they become vulnerable to expropriation or africanization (not, it must be said, the present spirit of the Senegalese political style). But one cannot expect purely opportunistic entrepreneurship which is based on political protection to be effective for all time. It is likely that the number of Lebanese in Senegal will be reduced. And those who go first will perhaps be both very rich and very poor. Those who will remain are likely to be younger people whose only frame of reference is Senegal—-with its opportunities and insecurities. Thrust out of the inward looking ‘take-away’ profit motive which has dominated the community, they may prosper by being more firmly rooted in the country—being Senegalese nationals in more than legal status.

R. Cruise O'Brien — Hommes d'affaires libanais au Sénégal : intégration économique et mécanismes de protection. La communauté commerçante libanaise se trouvait en butte à des menaces de nature différente avant et après indépendance. Du temps de la colonisation elle était en compétition directe non avec les Africains mais avec les « petits Blancs » métropolitains, et, en contrepartie, bénéficiait du soutien des grandes firmes d'import-export, qui utilisaient à leur profit les intermédiaires libanais et les faisaient, en conséquence, protéger par l'administration. Il n'y avait guère de tensions graves entre Africains et Libanais, ceux-ci se trouvant marginaux dans la dialectique de la domination coloniale, et n'affichant pas d'attitude de supériorité raciale ou culturelle. La situation change avec l'indépendance et l'africanisation d'une partie des circuits commerciaux : on assiste à un repli sur le commerce urbain — en partie, pour les plus jeunes, sur les professions libérales —, la protection vis-à-vis de l'appareil administratif et politique national étant assurée dans une large mesure par l'usage raisonné du pot-de-vin.