



Cahiers de l'Urmis

17 | 2017

Les espaces de la migration lusophone : circulations, régulations, représentations

'Our ancestors taught us the business know-how in Africa': Continuity and Innovation in Ismaili Transnational Business Culture

'Nos grands-parents nous ont appris à faire des affaires en Afrique': Continuité et innovation dans la culture d'affaires transnationales des Ismaéliens

Susana Salvaterra Trovão and Filomena Batoréu



Publisher
Urmis-UMR 7032

Electronic version

URL: <http://urmis.revues.org/1475>
ISSN: 1773-021X

Electronic reference

Susana Salvaterra Trovão and Filomena Batoréu, « 'Our ancestors taught us the business know-how in Africa': Continuity and Innovation in Ismaili Transnational Business Culture », *Cahiers de l'Urmis* [Online], 17 | July 2017, Online since 07 July 2017, connection on 07 July 2017. URL : <http://urmis.revues.org/1475>

This text was automatically generated on 7 July 2017.



Les contenus des *Cahiers de l'Urmis* sont disponibles selon les termes de la Licence Creative Commons Attribution - Pas d'Utilisation Commerciale - Pas de Modification 4.0 International.

'Our ancestors taught us the business know-how in Africa': Continuity and Innovation in Ismaili Transnational Business Culture

'Nos grands-parents nous ont appris à faire des affaires en Afrique': Continuité et innovation dans la culture d'affaires transnationales des Ismaéliens

Susana Salvaterra Trovão and Filomena Batoréu

1. Introduction

- 1 A number of research trends have already begun to trace the contours of a post-colonial approach focusing on the effects of different colonialisms and colonial experiences in the power dynamics of post-colonial societies, as well as on the legacies of colonialism in the construction of transnational relations between former colonies and their colonizers. However, the way in which colonial experiences might be link up with migrants' contemporary practices remains insufficiently examined (BOEHMER and GOUDA 2009, TROVÃO 2012). Through a comparison between the transnational business practices of Ismaili Muslim settled in the British and Portuguese colonial territories of East Africa and in contemporary Angola, we aim to discuss the impact of colonial experiences in the reconfiguration of postcolonial migrant entrepreneurial cultures.
- 2 What is (or is not) transformative in the management, organizational and business practices constructed by Ismaili entrepreneurs in colonial East Africa and postcolonial Angola? To which extent their economic activities continue to articulate opportunities derived from economic globalization processes with specific (historical, socio-political, cultural, etc.) dimensions of the national contexts in which their transnational businesses are embedded? Do transnational investments coexist, as in the colonial past, with local

integration? Why does belonging to a transnational religious community not clash with the development of national identifications and/or with loyalties to colonial and postcolonial nation-states of settlement?

- 3 In order to operationalize the comparison, we developed a multi-sited methodological strategy¹. To reconstruct colonial experiences, we held a total of 37 in-depth interviews with male informants (mainly second or third generation African born Ismailis, aged 65-85 years) of fifteen transnational family companies based in Zanzibar, Pemba, Nairobi, Kampala, Dar-es-Salam, Kisumu, Nampula, Beira and Lourenço Marques which main business lay in trading operations trade and commerce. In Angola, we have collected the migratory and business life history of eighteen Ismaili transnational entrepreneurs: eleven of Portuguese origin, five born in British East Africa and two Indian nationals coming directly from India (whose ages ranged between 45 and 72 years). Settled in the country between 1989 and 2006, their companies were operating in very diverse economic sectors, having branches in Portugal, Brazil and Mozambique (when led by Portuguese) or in Canada, India, Uganda, Kenya, Namibia and Congo-Kinshasa (in the case of the Indians and Canadians from East Africa).
- 4 Conducted individually, these interviews were focused on migratory trajectories and transnational business activities (organization, networks, markets, operations, strategies, competitors, circulation, information, interethnic and interpersonal relationships). Family dynamics, specificities associated to a shared ethno-religious affiliation, new strategies and resources developed over decades of relationships with other groups in different colonial and postcolonial societies were also taken into account. In addition, five biographies of selected Ismaili women who lived in the colonial territories under study together with a dozen interviews to interlocutors who reside along with husbands and children in Luanda or move regularly between Angola, Canada and Portugal will serve to underline the decisive role played by wives-mothers in continuing their families' economic enterprises.

2. Transnational connections and colonial involvements in East Africa

2.1 Patterns of business organization

- 5 As an exemple of direct connection between the local and the global, unmediated by the British colonial administration, a number of trading networks of Gujarati origin had a significant role in India's foreign economy in the first half of the 19th century. Among them, several Khoja Ismaili Muslim² merchants used the dominant role they played in the trade and finance of the Omani State to extend their activities along the East African coast (MARKOVITS 2000, CLARENCE-SMITH 1989). They engaged in trade along the coastline, import-export to and from India, tax collection, and some of them also financed the trans-Atlantic slave trade (PENRARD 1988, SALVADORI 1989, KAISER, 1996, DAFTARY 2000). In the late 1800s, on the advice of their religious leader Aga Khan III, a significant flow of Ismailis left the regions of Kutch, Sindh, Katiawar and Gujarat in Northwest India (KANJI 1990, ASANI 1987) in search of better socio-economic opportunities.
- 6 The family histories recorded enable us to synthetize their patterns of circulation and business organization. The import/export business was made possible by the

implementation of transnational connections and exchanges (of goods, people, capital, etc.) which firstly included India, the nuclei of co-ethnics settled in East and Southern Africa, and other more profitable regions (e.g. Singapore, China, Japan, England, Portugal, etc.).

“My *dada* [father’s father] began by opening a rural trading post, then a second one, until he became a wholesale, also importing and exporting African products. He always worked with his brothers. The business belonged to the five of them. Usually, two or three brothers went to Africa; two others stayed in India to manage other firms and take care of the parents. They interchanged goods.” (J., born in Kenya, lives in the UK)

“My great-uncles were importers. They imported mainly from India, Japan, China, England, and Portugal. They also exported to various countries, to India and Kenya too. (...). My father’s sister married into a family from Mombasa, and they worked as middlemen for our exports to Kenya.” (T., born in Mozambique, lives in Portugal)

- 7 The migratory experience of a family member frequently called upon brothers and cousins to also try their fortunes in the same or different African territories. Movements of family dispersion (to increase opportunities and/or to overcome legislative obstacles to migration in certain territories), partial family reunification (especially when one male set up a business and then recruited his brothers and cousins), and family re-fragmentation (in order to increase the branch offices of a business) made the import/export business possible, while keeping it under the control of trustworthy family members. The mobilization of affinal relations (established by aunts, sisters and daughters scattered in other African colonies) also gave dynamism to connections “here” and “there”.
- 8 The establishment of long-distance enterprises was closely articulated with the construction of regional and inter-regional chains, consisting of one or more import/export firms and warehouses in urban areas to guarantee the regular supply of imported goods to multiple rural trading posts, which in turn were expected to supply produce for export to the urban warehouses. The maintenance of interdependence relations between wholesalers/importers/exporters and local merchants, and between the latter and the local population was vital to the fulfilment of business objectives. This required the recruitment and deployment of trustworthy employees, chosen within the family network as well as among friends or members of a different community of Indian origin with commercial expertise and local contacts with the African population. However, when the business reached a significant level of growth and transnationalism, other criteria (such as skills) became progressively more important.
- 9 Business was something to be taken care of by men. Mothering, family relations and culture/religion constituted the fundamental “work” of women. However, female attempts to not contaminate the masculine relations of consanguinity with the typical family conflicts (between mothers and daughters-in-law, or sisters-in-law), the strategies they used preparing their offspring to give continuity to the family business (transmitting them the entrepreneurial action of previous generations and instilling values of effort, work and sacrifice), or the manner in which some mothers started to stimulate the academic and professional training of emerging generations were crucial in the consolidation of the family business model.

“Our mothers had a very good philosophy. If there was any problem among women, they tried to solve it and said nothing to their husbands. The idea was always to avoid resentments, because family unity was very important in the family business. Even though they did not take the active part, their main task was to prepare sons

to continue the business their fathers had developed.” (Nu., born in Kenya, lives in the UK)

- 10 The role of married women as transnational family managers also configured an important business resource. Not infrequently their relations with relatives settled in the same or different territory were capitalized by their family of alliance (and vice versa) to guarantee loans or direct banking, commercial licenses, and the confidence of suppliers and customers, to exchange information and advice on investment opportunities, or to expand the transnational organization of the business. In all these procedures, feminine diplomacy was essential for any of their male relatives felt “humiliated”. Managers of family relationships that indirectly interfered with the business of their families, women contributed to an economic project within which subject, family and business overlap. While keeping watch for the “reputation” attached to the family’s name, they also worked to maintain an indispensable ingredient in commercial transactions based on mutual trust.
- 11 Since the commercial sector had diversified both in British and Portuguese colonies of East Africa and offered more scope for expansion, the major economic interest of the Ismaili firms lay in international trading operations and commerce. However, from 1930’s onwards there was a gradual diversification of the family businesses when some Ismailis became flour and oil millers, soap manufacturers, sisal and cotton planters or road hauliers. In parallel, a number of entrepreneurs also began to invest in the industrial sector (i.e. textiles, mining, construction and materials). The family-based shareholding structure was maintained (albeit with changes to fully exploit new opportunities); however, the establishment of industrial projects closely associated to local development³ translated into stronger economic and interpersonal relations with non-Ismailis⁴.
- 12 Becoming a transnational trader, a settled wholesaler, importer/exporter, engaged in banking activities and/or an entrepreneur, required an identification with the historical projects of British and Portuguese colonizers, as well as recognition on the part of the governing classes that these entrepreneurs were political and economic partners indispensable to the development of the colonial territories themselves (PENRARD 1988, KHOURI and PEREIRA 2014). Business organization therefore depended on the close articulation of the colonial logic with strategies of globalization of capital and exchange, and of the latter with family and community resources.

2.2. Reacting to colonial hostility: patterns of circulation and reterritorialization

- 13 Ismailis were legally recognized as British subjects after 1843, as were all residents of British India. They were entitled to the protection of the British Crown in 1858 (MORRIS 1969, GREGORY 1993). As such, they were entitled to travel and reside in the territories under British rule as well as in the foreign territories which maintained diplomatic relations with Britain (as long as they were recorded with local British consulates).
- 14 Limits began to be imposed in 1890, when the Boer Republics and the colony of Natal began to adopt restrictive measures against Indian immigrants. Based on racial prejudice and ideological religious considerations, anti-Indian feelings experienced a steady growth and expansion to other East African territories, especially Kenya. Mozambique thus became a new Eldorado. In fact, a significant number of the family histories of those who arrived in Mozambique after 1911 reveal that the increased hostility of European-origin

colonists to the presence of Indians in South Africa and Kenya, and the restrictions to their entry into these territories, as well as the existence of support networks implemented by the pioneers, turned this Portuguese colony into an appealing alternative destination. In 1932, however, the Government of Mozambique also issued regulations limiting the entry, circulation and employment of Indo-British immigrants in the colony, despite repeated protestations on the part of the United Kingdom. The powerful Nationalist movement which had begun in India led British authorities to reconsider the situation of Indians in South Africa, beginning in 1919, and in Kenya, Zanzibar and Mozambique after 1920.

- 15 In an era in which free travel was coming to its end, Ismailis began to modify their circulation practices. The pattern of male migration was progressively abandoned. The local presence of heirs to give continuity to the family business became paramount, persuading most of them to start processes of family reunification and reterritorialization. In parallel, the measures implemented by Aga Khan III to encourage their de-Indianization and Westernization, which included incentives to complete family reunification outside India, and the disapproval of the "one foot here, one foot there" attitude, contributed to increase their identity involvement with colonial African territories.
- 16 The encounter with colonial and racial systems in East and South Africa associated with multiple legal obstacles to business, employment and circulation pushed Ismailis toward a sustained transnationalism between concentrated and segmented communities which were integrated in different settlement societies. Once again the Ismaili African past demonstrates that processes of reterritorialization do not constitute a countervailing tendency to transnationalism.

2.3 The politics of Ismaili businessmen

- 17 Although Ismailis did not take interest in politics, local and international trading networks forced them to fit in with the colonial systems in the geographies they were present in. Due to the systematic efforts of their "living" Imam, they organized themselves so as to become political agents, active and cooperating with the authorities of their respective colonial societies.
- 18 Aga Khan III was committed to overcome the stereotype of the opportunistic and instrumental Indian migrant, faithful to his origins, enclosed in his religious community, with no feelings of identification, loyalty, or gratitude towards his host society. In 1914, during his second visit to Burma, he advised his followers to give up their Indo-Muslim names and habits, in order to facilitate their socio-cultural assimilation (DAFTARY 1990). In later years, he often recommended similar measures to his followers in several parts of British East Africa (SALVADORI 1989, WALJI, 1980; KAISER 1996): "Burn the bridges - we don't want one foot in India and the other in Kenya." (KASSAM-REMTULLA 1999). Addressing a *farman* to all Indians settled on "Portuguese (African) soil", he also restated - "You must be Portuguese first, and only then Indian" (BASTOS 2008). As well as stimulating feelings of national belonging, some of the actual reforms he promoted - especially those related to gender issues, strongly associated to notions of "modernity" and "progress" - also aimed to show Ismaili acceptance of supposedly European values. He was indeed quite successful in persuading the British and Portuguese colonial

governments to recognize the uniqueness of the Ismaili communities as “close” political and civilizational “co-operators” (BASTOS 2008).

- 19 The post-War period saw the independence of India, Partition, and a gradual deterioration of the relations between Portugal and the Indian Union, culminating with the invasion of Portuguese India in 1961. The then Governor General of Mozambique determined the “internment” of Hindustani citizens, a prohibition on issuing them with any entry or exit visas, and “the closure of their commercial enterprises and private residences”. The Ismailis, in their majority not naturalised as Portuguese (despite their insistent desire to do so, in particular after Partition), were protected by the amicable relationship between their leader, Aga Khan, and the Portuguese government.
- 20 The structural ambivalence of colonial authorities towards Indians, granting them protection when they had political, economic and social advantages to offer in exchange, while using them as scapegoats in times of crisis and nationalistic exacerbation, underscored the importance of transnational connections. Thus many family businesses continued to increase their transnational economic practices with investments in India and Pakistan, neighbouring African territories and Europe with the aid of family members and co-ethnics who provided information on the best business opportunities and acted as middlemen, partners or local foreign managers. On the one hand, transnationalism offered protection (against increased racial tension, unfavourable political conjunctures, etc.); on the other, it was always risky, especially in the context of independence and Africanization processes.

“In 1963, Tanzania became independent. And, since Julius Nyerere was a stable leader, we thought it was good to invest in an independent country, still without much competition, we bought apartments and factories in Tanzania. We bought them for a good price, and thought we could make a profit. And shortly after we bought, nationalization began. We lost everything. Later, we lost even more in Kenya.” (Z., born in Kenya, lives in the UK)

2.4 Family transnationalism: old business strategies for postcolonial crises

- 21 Ismailis had scarce contact with the Asian associations that, merging their political interests with those of the Africans, opposed many forms of economic, political, social and racial inequality in the East African colonial system⁵. Moreover, before the independence processes, they frequently assumed a neutral “wait and see” posture in the conflicts between Africans and Portuguese or British colonizers. As several community leaders pointed out, their communities never did carry out any serious debate about independence and its consequences in order to form a concerted approach.
- 22 According to some of them, the Ismaili “refusal to get mixed up in politics” was the result of the Aga Khan’s general policy of concentrating on economic development as opposed to politics; others mentioned that Aga Khan believed that Ismailis’ future was best secured by the perpetuation of the British rule and the Portuguese regime; still others said that it was the product of the higher investment (passed down through the generations) in religious communities and family businesses which “alienated Ismailis from what goes on around them and the World”. Exceptional, political activism provoked not only opposition from local Ismaili communities but also from the Imam who wanted his followers to dissociate from any co-operation with African (and Asian) nationalists.

- 23 Although their influential business in Tanganyika, Kenya and Uganda, what cannot certainly be denied is that the de-colonization processes inflicted times of great socio-economic and identity insecurity upon East African Ismailis. The majority migrated to postcolonial U.K. (in three waves from 1964-65 onwards, the latter after their expulsion from Uganda in 1972) and Portugal (between 1972 and mid-1974). They held Portuguese or British citizenship and passports from their respective colonizing powers. A significant number of them also moved to Canada (since the Aga Khan IV was able to obtain quick naturalization for his followers in that country), fewer migrated to the United States, and fewer still to South Asia. The caution and discretion with which some of them sold their assets and transferred their capital outside Africa as well as the international political and economic contacts of their leadership enabled them to maintain their generally ascending migratory histories. These however were not the only grounds for their postcolonial success.
- 24 While this may appear surprising, their more recent strategies of circulation and business organization were very similar to the ones deployed by their grandfathers and great-uncles in Africa in the late 19th century. Among them, the dissemination of the extended family in various countries, the establishment of import-export firms in each new host country, a regular exchange of goods and capital, family management, the mobility of certain family members (to make import/export processes easier), the gradual diversification of business areas, and the quest for new opportunities in different countries (based upon the information of economic consultants belonging to the transnational Ismaili organization). In addition, philanthropic investment in areas considered disadvantaged or politically desirable by the new host countries also helped. We would agree with Morawska, "that life worlds and diaspora politics of turn-of-the century immigrants share many of the supposedly novel features of present day transnationalism" (2001: 178).

"In 1973, my mother and father and some of my younger brothers went to Portugal, while my wife and I and our five sons went to Pakistan; other close family members went to Canada, still others to the UK. After two years in Pakistan, we went to Canada. I set up an import/export business, with connections to South Africa and Portugal. Two of my brothers were in Pretoria, I was in Toronto, my father in Portugal, with my youngest brother. This is how the family business continued." (Za., born in Mozambique, has lived in Pakistan, South Africa, Canada, and Portugal)

3. Continuity and innovation in a transnational business culture "managed on the ground"

3.1 Acting on the Angolan external trade during the Marxism-Leninism period

- 25 Closely connected to the Portuguese revolution of 1974 and the subsequent process of decolonization, the independence of Angola (1975) happened in the international framework of the Cold War. The new country, led by the MPLA movement, joined the Soviet bloc. The political experiment of the First Republic, inspired by the Marxist-Leninist ideology (which became official in 1976), did not successfully implement a system of central planning and State monopoly of external trade.

26 According to available studies (BHAGAVAN 1986, HODGES 2001, 2003, AGUILAR 2006, VIDAL 2007), such centralized management actually resulted in countless business opportunities. The collapse of production which marked the end of the 1970s and the early 1980s (affecting agriculture and fisheries, as well as mining and manufacturing) forced a marked increase in the import of all kinds of goods, controlled by political elites and financed by the profits of the oil industry. This scarcity of goods also resulted in large, thriving, and diversified black and grey markets, and to the subsequent great imbalances between official and black market prices, which encouraged all kinds of lucrative "schemes". A drawn-out war, destructive to most of the scarce national production (as well as to most infrastructures, especially outside the capital, Luanda) increased the need for imports and promised rapid profit to potential importers. These three interconnected aspects translated into a unique opportunity for several Portuguese Ismaili (family-owned) businesses which specialized in international trading (import-export) and became heavily involved in the Angolan market in the mid-1980s.

"We spoke Portuguese, had the entrepreneurial know-how and a previous connection to Africa through Mozambique. We were in a privileged position." (F., born in Mozambique, has been living in Angola since 1987)

"We gradually strengthened our relationship with influential people in Angola. A. was the first firm to submit a bid, and from then on won all public tenders. After all, the country needed everything. And we had experience in international trade." (N., born in Mozambique, president of the A. group)

27 The economic experiences of the Socialist era cannot be dissociated from a set of phenomena identified as Neopatrimonialism in the available literature on Africa (ELLIS and FAURÉ 1995). The recognition that access to the State and to the higher ranks of the Party represented an economic resource, and the required adaptation to the strong personalization and patronage-based nature of business relations determined the success of the pioneering Ismaili businessmen.

"In Angola, business would grind to a standstill without us. It is our faces that the banks wish to see, our faces that institutions and high representatives wish to see... the effect of interpersonal trust is primordial" (R., born in Mozambique, has been living in Angola since 1988)

28 At the same time, dealing with the State itself required an acceptance of the various schemes of appropriation of public resources for personal gain, implemented by a wide range of social actors holding administrative and political office. While in proportion to the position of each business partner in the Party/State/Military/Business hierarchy, profit margins "were staggering" and made it possible for each participant to receive their cut. However, the privileged connection of Portuguese Ismailis to the Angolan State also worked as a restriction. A negative and hostile public image of the new "Indian" presence (with no past or historic record in Angola) was rapidly produced, whereby the Indian businessman became responsible for "corruption" and, as a consequence, accused of sabotaging Socialist economic policies.

"Our only option was to be on the side of the Government. We sold directly to them, and the Ministries and the Armed Forces. We had to deal with a market where corruption is a given. They let us in to sell containers to the Government if the minister also got to take something home..." (M... born in Mozambique, has been living in Angola since 1988)

"A transitioning society needs scapegoats, and blaming an outsider is easier than blaming someone you know." (F., born in Mozambique, has been living in Angola since 1987)

3.2 The transition process to the market economy: new opportunities for business differentiation

29 The period between 1985 and 1992 is linked to the beginning of the “transition” process from a Socialist economy to what is known as market economy. Gradual reforms were introduced beginning in 1987. In 1990, following the official renunciation of Marxism-Leninism on the part of the MPLA, the private sector of domestic (but not international) trade was legalized, a partial price liberalization introduced, and inflation grew uncontrollably (AGUILAR 2006, VIDAL 2007). The 1990s created new business opportunities, while at the same time imposing adaptations on Ismaili business organization. Businesses now had to have Angolan capital and partners, bank accounts in national and foreign currency in local banks, and local addresses in rented or bought commercial infrastructure. At the same time, however, the system allowed these same businessmen to import a wide range of products to their own firms in Angola, which would then sell directly to consumers.

“We had to set up firms with Angolan capital, in the local currency and with local bank accounts, buy or rent local premises and offices. So we were exporting to our own Angolan firms.” (Ta., born in Mozambique, has been living in Angola since 1992)

30 The shortages of the post-Socialist State, and the continuation of the civil war until 2002, the legalization of private initiative and its strong dependence on influence and corruption networks created during the Socialist phase allowed Portuguese Ismailis to emerge as a new power, recognized by the State, in the recently established private sector of the Angolan market economy. The “transition” thus offered a second chance to improve the economic prosperity of both Ismailis and the political elites of the new multi-party system, and to strengthen their tacit relations.

“You cannot imagine all that was lacking in a Socialist economy, and the wealth of opportunity that offers to businesspeople like us. I remember that I sent a container, and no matter what its contents, 24 hours after leaving port, it was empty. It was an extraordinarily hyper-consumerist economy.” (Ta)

31 In parallel, patronage mechanisms created social niches characterized by a rapid process of capital accumulation, largely employed in luxury consumption or invested abroad (HODGES 2011). Their effects on accumulation and consumption offered a third chance to visionary Ismaili businessmen, who seized it. As well as selling luxury goods, several businesses began to offer their mediation services within international banking networks and/or consultancy in placing Angolan capital in foreign banks; at the same time, they selected well-placed individuals within the political hierarchy in order to facilitate business partnerships, in exchange for shares in the capital of these new businesses.

32 In the mid-1990s, Portuguese Ismaili also began to receive in their “private centres” (the name given to their community centres in a context where Islam is illegal⁶) a small number of Indian and Canadian Ismaili businessmen who also had previous trading experience in several regions of East and Central Africa.

“When East African countries became independent, my family moved to Canada. In the 1970s, my father became a small trading businessman – *top driving operations*. Gradually, he expanded his activities to Tanzania, Kenya, and Uganda. There are many, many opportunities in Angola – and very, very good. This type of information went round my family. First, my eldest brothers came in the 1990s. Six

years ago, I myself left Canada. We're a family business, and that's how I came over here. My father is still in Kinshasa." (K., born in Canada, has been living in Angola since 2006)

- 33 While internationally it was expected and hoped that the war in Angola would end soon, Indian and Canadian Ismaili businessmen explored opportunities locally in a period marked by an increasingly violent conflict, the collapse of agriculture and industry, and difficult circumstances for the circulation of people and goods. Unlike their Portuguese peers, who invested in the institutional and State markets (based in Luanda), they specialized in (mostly food) trading directed at the low-income population, quickly acquiring dominance in the retail market in the Angolan provinces. During the following decades, they also became large businessmen in the industrial sector (iron and steel, plastics, paper, etc.), taking part in and advantage of the economic growth of Angola after the transition phase to a market economy, a process which began slowly between 1997 and 2002, then accelerated rapidly until 2007 (ROCHA 2011).
- 34 The plurilocalization of their factories and warehouses in various Angolan regions (Lubango, Huíla, Malange, Cabinda, Soio, etc.) has led to the reappearance of the colonial strategies of staff recruitment within the trust-based networks of family and community, especially in India. An optimum relation between wage costs and professional competences, cultural and linguistic affinity (which eases internal communication between the various businesses, located in different regions of Angola and other African countries) and, even more importantly, the long-standing recognition of the dedication and loyalty of Indian employees to the business projects of their employers continue to justify the recruitment strategy adopted by Indian and Canadian businessmen.⁷

"In Angola, as in other African countries, we use the same recruitment strategy of our forefathers. We employ mainly people from India, because of our shared language and culture. Indians are qualified and efficient, and labour costs are not high". (IC., born in Uganda, has been living in Angola since 1998)

3.3 Business consolidation at the end of the civil war

- 35 Since 2002, the year in which the Angolan civil war ended, the increase in oil profits and the decrease in military expenditure allowed some public investment on the part of the Angolan State. However, the divorce between the official and market exchange rate, the ensuing public deficit, difficulties in obtaining foreign loans and the negligible character of the national capital market all contributed to offer a new business opportunity to a number of Ismaili large business owners. Some of their ventures began to inject financial capital, through their shareholding position in BAI (Banco Africano de Investimentos - African Investment Bank), as well as providing support and consultancy services with international banks with the aim of securing foreign loans.
- 36 The gradual control of inflation and currency stabilization, the expansion of the banking and financial system, and political openness to the emergence of new private sectors (e.g. foreign investment in non-oil national economy) have created chances of business consolidation and diversification for Ismaili businessmen of Portuguese, Indian and Canadian origin (industry, hospitality, restaurants, technology). The degree of expertise in imminently technological areas (telecommunications, industry, construction) assumed by some of these groups still requires a last opportunity: the global economic crisis (whose impact has been more serious in some European countries) allowed them to build technology partnerships with European companies in great difficulty and/or risk of

insolvency which brought technological know-how and skilled human resources to the Angolan business environment.

- 37 Following the centuries-old advice of their community leaders, Ismailis have been developing political and economic loyalties to the national elites. The main reasons behind their success hinge on a close articulation of their business strategies with contemporary postcolonial logics, including political uncertainty and the changes in power groups. The same framework can also explain the numerous partnerships with Angolan businessmen, as well as the increasing participation in national investment funds. Such associations function as leverage to ambitious economic projects with implications for local development, as well as providing some guarantee against potential political upheavals.

“In Africa, political instability is a given. Our African past taught us as much. We deal with this by not being the exclusive owners of the business, but having partnerships with Angolan citizens and financial institutions. It is a guarantee of security. That’s how you do business in Angola.” (Gu. born in Mozambique, has been living in Angola since 1996)

3.4 Reconciling family and business in postcolonial Angola

- 38 Many Ismaili businessmen already consider Angola as a “medium or long term” project” which must be “managed on the ground”. This project has renewed the need for reconcile business and family life. Concomitantly, the old family business model - fathers and sons (now qualified) to work together for family prosperity was rapidly revitalized.

“Back then, our firms were almost 100% family-based, generation after generation. When decolonization happened and we came to Europe or Canada, our children gradually took their distance from the family business. They went to work in big firms in their area of expertise. Our return to Africa had an interesting effect. Our qualified children were able to come and manage the family business.” (Fa., born in Mozambique, has been living in Angola since 1995)

- 39 In addition, family reunification has been promoting the complementarity of gender roles that prevailed during the colonial period. In fact, women’s economic participation in Angola is still limited due to legislation. When they enter the country under family reunification, wives are bound to their husband’s three-year work visa, and cannot hold a job of their own. Those who reside along with husbands and children in Angola invest in their primary gender responsibilities. They closely follow the academic performances of their sons and daughters (in international schools), develop their moral, cultural and religious identifications, manage transnational marriages and family relationships, and devote themselves to the religious community. Many other women move up periodically between Portugal, Angola, UK and Dubai, ensuring that their children (and sometimes grandchildren) receive academic training in demanding and prestigious schools and universities, providing simultaneously (pragmatic and emotional) care to family members.
- 40 While familiarized with the “double shift” of productive and reproductive work, Ismaili women “feel very comfortable” when they prioritize motherhood and family caring duties at the expense of a professional activity. It is not that a career does not offer them significant personal satisfaction; but this needs to be overwhelmingly connected to how it reflects on the family and business.

"I did have a professional career. (...) Now, my main task is preparing my sons to continue the business their father has developed. Therefore, I have to grant them the best and most demanding education, and to monitor their studies daily. I and my Ismaili friends, we are able to be many different kinds of persons in different situations". (Di, born in Mozambique, has been living in Angola since 2006)

"We are very malleable, we have a skill for adaptation that is the reason behind our success. The spirit of sacrifice is also very important. I made a pause in my professional life. I stay three or four months here and then I return to Lisbon to take care of my parents. I'm their only child." (So., born in Portugal, has been living between Portugal and Angola)

4. Concluding remarks

- 41 Contemporary Ismaili entrepreneurship in Angola is not an exact replica of the old model, but it does seem to be a reconfiguration of a long-lasting business culture. The table below summarizes a number of common denominators between economic practices and strategies as applied to colonial East Africa and post-colonial Angola.

Table 1. Ismaili entrepreneurship in colonial East African contexts and post-colonial Angola: common denominators	
Type of business	Family firms Openness outside kin and community networks
Resources	Family and community transnationalism Transnational community cohesion and organization (including international financial support and economic consultancy frameworks)
Business organization	Transnational economic practices Centrality in the nation-states in which economic actions are socially embedded
Business networks	Recognition of the disadvantages of network closure and self-referential behaviour Potential benefits of participation in competing networks Importance of face-to-face relations, interpersonal trust and mutual understanding
Businessmen politics	Efficient cooperation with the colonial and postcolonial political project of host societies
National integration	Loyalties to the nation-states of settlement
Inter-Ethnic Relations	Strategies of hostility avoidance

- 42 The continuing centrality in the (politico-economic, relational, and cultural) logic of the particular nation-state in which Ismaili business activities are embedded, the notion of a

disadvantageous network closure, concomitant with the importance of face-to-face contacts, the mutual trust and understanding sustained through personal relations, and the tendency for national loyalty to prevail over religious belonging whenever any potential conflict between the two exists, constitute crucial dimensions of an accumulated tacit knowledge which have significance in order to understand the Ismaili competitive advantage in different African colonial and postcolonial contexts. The way in which business practices mobilised in Africa are differentiated from European or North American management models also reveals the existence of a tacitly non-uniform Ismaili business culture, which values skills of learning, innovation, and adaptation to different historical and socio-cultural environments.

BIBLIOGRAPHY

- AGUILAR Renato (2006), *Angola 2005: Surfing the Oil Market*. Stockholm, Department of Economics, University of Gothenburg.
- ASANI Ali S. (1987) «The Khojahs of Indo-Pakistan: The Quest for an Islamic Identity» *Journal Institute of Muslim Minority Affairs* 8(1). <http://dx.doi.org/10.1080/02666958708716015>
- BASTOS-TROVÃO Susana (2008), «Ambivalence and Phantasm in the Portuguese Colonial Discursive Production», *Lusotopie*, vol. XV, n° 1, pp. 77-98.
- BHAGAVAN M. R. (1986), *Angola's political economy 1975-85*, Uppsala, Scandinavian Institute of African Studies.
- BOEHMER Elleke & GOUDA Frances (2009), «Postcolonial Studies in the Context of the Diasporic Netherlands», in KEOWN Michelle, MURPHY David & PROCTER James (dirs.), *Comparing Postcolonial Diasporas*, London/New York, Palgrave/Macmillan, pp. 37-55.
- CLARENCE-SMITH William (1989), «Indian Business Communities in the Western Indian Ocean in the Nineteenth Century», *Indian Ocean Review*, vol. 2, n° 4, pp. 18- 21.
- DAFTARY Farhad (2000), *The Ismailis: Their History and Doctrines*, Cambridge, Cambridge University Press.
- ELLIS Stephen & FAURÉ Yves-André (1995), *Entreprises et entrepreneurs africains*, Paris, Karthala, Orstom.
- GREGORY Robert (1993), *South Asians in East Africa. An Economic and Social History 1890-1980*, Boulder, Westview Press.
- HODGES Tony (2011), «Fundamentos Económicos do Estado Patrominial», in VIDAL Nuno & PINTO DE ANDRADE, Justino (dirs.), *Economia Política e Desenvolvimento em Angola*, Angola/Portugal, Media XXI, pp. 87-112.
- HODGES Tony (2001), *Angola from Stalinism to Petro-Diamond Capitalism*, London, James Currey.
- HODGES Tony (2003), *Angola: Anatomy of an Oil State*, Oxford, James Currey and Bloomington.
- KAISER Paul (1996), *Culture, Transnationalism, and Civil Society: Aga Khan Social Service Initiatives in Tanzania*, Westport, Connecticut, Praeger Publishers.

- KANJI Anise (1990), «`Oh my sisters, agitate': Aga Khan III and the Status of Ismaili Muslim Women» AB thesis, Harvard-Radcliffe Colleges.
- KASSAM-RENTULLA Aly (1999), *(Dis)placing Khojachs: forging identities, revitalizing Islam, and crafting global Ismailism*, Department of Anthropology: Stanford University, unpublished.
- KHOURI Nicole & PEREIRA LEITE Joana (2014), *Khojas Ismailis. Du Mozambique colonial à la globalisation*, Paris, L'Harmattan.
- MARKOVITS Claude (2000), *The Global World of Indian Merchants 1750-1947. Traders of Sind from Bukhara to Panama*, Cambridge, Cambridge University Press.
- MORAWSKA Ewa (2001), «Immigrants, Transnationalism and Ethnicization: A comparison of This Great Wave and the Last», in GERSTLE Gary & MOLLENKOPF John (dirs.), *Contemporary and Historical Perspectives on Immigrant Political Incorporation*, New York, Russell Sage Foundation, pp. 175-212.
- MORRIS H. S. (1969), *The Indians in Uganda*, Chicago: University of Chicago Press.
- PENRARD Jean-Claude (1988), «La présence isma'ïlienne en Afrique de L'est. Note sur l'histoire commerciale et l'organisation communautaire», in LOMBARD D. & AUBIN, J. (dirs.), *Marchand et Hommes d'affaires asiatiques dans l'océan Indique et la Mer de Chine 13e-20e siècles*, Paris, Ed. de L'EHESS, pp. 221-36.
- ROCHA Alves (2011), «Crescimento Económico e Desenvolvimento em Angola: Uma Análise para o Período 1997-2009/2010», in VIDAL, Nuno & PINTO DE ANDRADE Justino (dirs.), *Economia Política e Desenvolvimento em Angola, Angola/Portugal, Media XXI*, pp. 115-47.
- SALVADORI Cynthia (1989) *Through open doors, a view of Asian Cultures in Kenya*, Nairobi, Kenway Publications.
- SALVADORI Cynthia (1996), *We came in Dhows*. Nairobi, Paperchase Kenya Ltd.
- TROVÃO Susana (2012) «Comparing Postcolonial Identity Formations: Legacies of Portuguese and British Colonialisms in East Africa», *Social Identities: Journal for the Study of Race, Nation and Culture*, 18 (3), pp. 261-280.
- VIDAL Nuno (2007), «The Angolan Regime and the Move to Multiparty Politics», in CHABAL Patrick & VIDAL Nuno (dirs.), *Angola, the Weight of History*, London/New York, Hurst & Columbia, pp. 124-74.
- WALJI Parveen (1980), *The Relationship Between Socio-Economic Conditions and Fertility Behavior Among Selected Asian Groups in Nairobi*, PhD diss., University of Nairobi, Kenya.

NOTES

1. This strategy was implemented within the framework of distinct research projects 'From Mozambique to Portugal, and to other opportunities. A study of transnational families' (2002-2005), 'Different Children of Different Gods. Uses of religion in migrant strategies of social insertion' (2004-2008) and 'Muslims in Lusophone spaces: ethno-religious capital and transnational practices in postcolonial Angola' (2009-2013).
2. There is some evidence that it was Pir Sadardin (Sadr-al-Din) who converted many Hindu merchants of the Lohana caste (from Sindh and Gujarat) to Nizari Ismailism in the 14th century. By the 19th century, Indian Ismailis (also known as the 'Khoja') became one of the most powerful trading communities of East Africa. It is generally accepted that their expansion and success has

been the result of enterprising investment within an organized diasporic community, guided by a "present and living" Imam.

3. Portuguese colonial authorities in Mozambique barred access to industry to minorities of Indian origin, and a "Portuguese partner" became therefore indispensable. In East Africa, the aim of organizations such as Promotion Services (established in Nairobi in 1963) was precisely the promotion of industrial enterprises (making it easier to access the required capital), in particular those involving Ismaili and non-Ismaili partners.

4. After the Second World War, advised by their Imam, Ismailis also started to invest in the university education of the youngest generations, thus laying the foundations for a diversification of professional opportunities (medicine, dentistry, law, accountancy and so on). During the 1950's, several girls began attending secondary school education (in Ismaili schools which had been co-educational). Progressively, some of them had also benefited from higher education and training for certain professions. Before de-colonization, women have been able to participate actively in their family enterprises.

5. Identifications with Portuguese and British colonizers were not, however, incompatible with indirect forms of opposition to discriminatory measures and practices affecting non-white communities.

6. Confronted with an unprecedented presence of Muslim populations (both immigrants and converts), the Angolan State persists in refusing to make Islam legal, arguing that Muslim values and practices are contrary to Angolan constitutional principles and national interests, and could lead (if legalized) to a marked deterioration and loss of Angolan cultural identity.

7. Recruitment is mediated at both the family and community level. The *jamatkhana*s in Gujarat and Mumbai frequently help to publicize vacancies, which are then further spread by family and social networks.

ABSTRACTS

Through a comparison between transnational business practices of Ismaili Muslim settled in the British and Portuguese colonial territories of East Africa and in contemporary Angola, we aim to discuss the impact of colonial experiences in the reconfiguration of postcolonial migrant entrepreneurial cultures. Articulating several guiding empirical questions, we will attempt to show that the continuing centrality in the (politico-economic, relational, and cultural) logic of the particular nation-state in which Ismaili business activities are embedded, the notion of a disadvantageous network closure, concomitant with the importance of face-to-face contacts, the mutual trust and understanding sustained through personal relations, and the tendency for national loyalty to prevail over religious belonging (whenever any potential conflict between the two exists) constitute crucial dimensions of an accumulated tacit knowledge (functional, behavioural, identitarian) which is significant in the analysis of the Ismaili competitive advantage in different colonial and postcolonial African contexts.

'Nos grands-parents nous ont appris à faire des affaires en Afrique': Continuité et innovation dans la culture d'affaires transnationales des Ismaéliens

En comparant les pratiques entrepreneuriales transnationales des Ismaéliens qui se sont installés dans les territoires des colonies britanniques et portugaises de l'Afrique orientale et dans l'actuel Angola, notre objectif est de discuter de l'impact des expériences coloniales dans la

reconfiguration de leur culture entrepreneuriale transnationale contemporaine. Nous allons montrer que le centrage ismaélien sur les logiques des États-nations particuliers dans lesquels ils développent leurs activités entrepreneuriales, la conscience qu'un repli excessif de leurs réseaux d'affaires peut être contreproductif, associée à l'importance attribuée aux relations interpersonnelles entre partenaires économiques, et la prévalence de la loyauté politique envers l'État-nation d'accueil par rapport à l'appartenance religieuse (lors d'éventuels conflits entre ces deux dimensions) constituent les aspects fondamentaux d'une connaissance tacite (entrepreneuriale, comportementale et identitaire) qui nous permet de comprendre les avantages compétitifs acquis par les Ismaéliens dans différents contextes africains coloniaux et postcoloniaux.

INDEX

Chronological index: XXe siècle, XXIe siècle, XIXe siècle

Geographical index: Kenya, Tanzanie, Ouganda, Mozambique, Angola, Portugal, Brésil, Canada, Congo Kinshasa

Keywords: Ismaili transnationalism, entrepreneurship, colonial and contemporary Africa

Mots-clés: Transnationalisme ismaélien, entrepreneuriat, Afrique coloniale et contemporaine

AUTHORS

SUSANA SALVATERRA TROVÃO

Full Professor of Anthropology

Faculty of Social Sciences and Humanities, Nova University of Lisbon.

FILOMENA BATORÉU

Phd Candidate in Anthropology

Faculty of Social Sciences and Humanities / Nova University of Lisbon.