CHAPTER II

PROBLEMS OF THE OVERSEAS INDIANS: A SURVEY
The nature and magnitude of the problems of the Overseas Indians vary largely from country to country and at different points in time. Therefore, undertaking a global survey of the entire gamut of their problems would be a difficult task. Given the limited scope of the present study, we primarily confine ourselves to deal with those countries where the Overseas Indians' problems became complex and serious, resulting in India's diplomatic intervention for negotiation and settlement, or extension of its moral support to them. Countries of this category are: South Africa, Burma, Kenya, Uganda, Fiji and Sri Lanka. Among them, Sri Lanka is dealt with cursorily in this chapter because a comprehensive discussion on the 'Indian Tamil' problem is available in chapters IV-VII.

The socio-economic and political problems of the Overseas Indians in the countries mentioned above can be grouped under three broad categories -- economic hardships, denial of equal political rights and social segregation. All these problems were generally the product of conscious decisions of the political leadership and measures undertaken by the host governments.

Economic hardships of the Indians Overseas arose out of the stringent measures taken by their host governments in the fields of land ownership, business and employment. In some cases, it was so severe that they were forced to leave their adopted country. The Burmese Indians who held affluent economic status until the fifties were deprived of their wealth when the Burmese government nationalised their lands and business. Similarly, the economic status of the Asians in Kenya and Uganda suffered major disruption following the adoption of measures to nationalise their trade and exclude them from employment and other sectors of the economy. As regards the South African Indians, the racially discriminatory policy of the South African government restricted their commercial activities and thereby denied them the equal economic opportunities and benefits.
In several countries the Overseas Indians were (and still are) denied equal political rights and privileges. The South African Indians do not enjoy civic rights on par with the Whites and, as such, the status which they acquired is that of permanently second-class citizens in South African society and polity. With regard to Fiji, the country's constitution bestowed upon the ethnic Fijians the privilege of ruling the island, as it established their electoral supremacy over the Fiji Indians. In other words, the Fiji Indians as a community do not enjoy political power even though they form the single largest ethnic group in the country. As regards the Indian Tamils of Sri Lanka, a vast majority of them lived in the country without citizenship rights for a long time. At present, they are legally equal, but the equality is not true in practice.

The South African Indians faced the problem of racial segregation. As a cardinal aspect of the South African government's apartheid programme, the enforcement of the obnoxious segregation policy caused immense hardships to the Indians as it uprooted them from their original homelands to the areas reserved for them.

All these issues are discussed in detail in the following part of this chapter by identifying the factors which contributed to each of the problems of the Indians Overseas in the above-mentioned countries. The general factors listed in this regard are: upsurge of local nationalism, excessive racism in the host society, economic prosperity of the Indians Overseas, their numerical predominance, suspicion about the loyalty of the Overseas Indians, their contact(s) with India, social exclusiveness of the Indians Overseas and advent of dictatorial regimes in host countries. 1

1. Some of the factors were identified by Hugh Tinker in the context of problems of the Burmese Indians and the Ugandan Asians. See his The Banyan Tree: Overseas Emigrants from India, Pakistan and Bangladesh (Oxford, 1977), pp.138-9.
Upsurge of Local Nationalism

Influenced by a strong upsurge of nationalism, the post-colonial governments of Burma, Kenya, Uganda, Fiji and Sri Lanka undertook various measures to place the political and economic interests of the natives predominantly over the immigrants and aliens. In the process, inequality and discrimination between them became legitimate and justified.

After its independence in 1948, Burma adopted the policy of 'socialist nationalism' to promote the economic interest of the native Burmans. The policy was implemented by undertaking a number of nationalisation measures which hit hard the Burmese Indian community. The first phase of the nationalisation programme began more seriously and effectively with the enactment of the Land Nationalisation Act of 1953. Most of the victims of this legislation were Indian land owners as it specifically meant for confiscation of Indian-owned lands, without adequate compensation. A total of 2.7 million acres of such lands, which constituted 14 per cent of the total cultivable lands in Burma, were nationalised under the Act. The market value of the land was assessed at Rs.70 crores and as per the scale of compensation stipulated in the Act, the Indian land-owners expected to receive nearly one crore rupees. By the end of 1960-61, it was estimated that the Indian land holders received a total of about Rs.17.4 million only.


as compensation.

The second phase of the nationalisation programme, which was guided by General Ne Win's policy of 'Burmese way to socialism', was implemented through nationalisation of business establishments during 1962-65. It had two imperatives: to remove the last vestiges of foreign control, and to restrict capitalist enterprise to the petty huckstering of the vegetable market. Both these objectives affected the Indians very much.

More importantly, while the nationalisation of land, bank and export and import business had affected the interests of the Chettyars, big financiers and other land lords, the policy of 'Burmese way to socialism' sought to deprive the small man's business as a part of the national economic strategy. Altogether, about 12,000 shops with assets worth Rs.15 crores were taken over by the government. Although no precise estimate of the assets and properties nationalised or left behind by the Burmese Indians was available, the value of the overall claims filed by them had been around Kyats 24 crores. However, the Burmese government estimated at Kyats 8 crores, of which Kyats 2 crores were sought to be deducted for the liabilities of the Burmese Indians concerned in the shape of taxes etc. Against the balance of Kyat 6 crores, the Burmese government made an offer of Kyats 3 crores, which neither the Indian government nor the Indian settlers considered adequate and satisfactory.

7. Tinker, n.1, p.149.
8. Times of India (New Delhi), 15 April 1964 and 11 May 1964.
10. For details see Chapter 111.
The second-phase of nationalisation programme triggered off a mass exodus of Burmese Indians who failed to acquire Burmese citizenship. Many of them left behind assets and properties on their departure to India as they were not allowed to take with them any transferable wealth. As such, they had to reach India for the most part not far short of being destitute. The ruthless manner in which the Burmese Indians were forced out seemed designed to emphasise that the new Burma would not be indebted to any except its own people.

If the plight of the Burmese Indians was the product of the crash programme of Burmanization, the Kenyan Asians were the victims of Africanization. Their position was made precarious soon after Kenya attained independence in 1963, when the government there directed all its energies towards achieving its declared policy of 'Africanization of Kenya'. The Asians' apprehension over an uneasy future came true as the process of Africanization had adversely affected their interests, to the extent of ousting majority of them from business and then pressurising them to leave the country.

The main thrust of the Africanization policy was not only to exclude aliens from trade, business, employment and other sectors of the Kenyan economy, but also correct the economic imbalance that existed against the citizens of African origin. To deal with the aliens, the government enacted the Immigration Act of 1967 and the Trade Licensing Act, 1967.

11. For details see the following pages.

12. The Burmese government allowed to repatriate Rs.75 for each adult and Rs.15 for each child. Each family was permitted to take out Rs.250 worth of gold. *Asian Recorder*, vol.10, no.33, 12-18 August, 1964, p.5976. Also see Uma Shankar Singh, "Indians in Burma", in J.J. Bahadur Singh, ed.: *Indians in South East Asia* (New Delhi, 1982), pp.109-15.

13. Tinker, n.1, p.150.

While the former Act was instrumental in ousting the Asians from public service as well as commerce, the operation of the latter led to a sharp reduction of the Asian traders as they were refused trade licences. In this context, a government policy statement emphasised:

A truly Kenya national prosperity can not be built if management of key commercial and industrial concerns remain in the hands of non-citizens. Kenyans must participate and be involved in the policy making and its execution in all sectors. Kenyans must be given genuine responsibility and authority including opportunity for advancement and self improvement. Window dressing will not do and will not be tolerated.

When the Kenyan government adopted the Africanization measures, it obviously intended to phase out the inevitable migration of aliens. Many Asians feared that they would actually be deported en masse when President Jomo Kenyatta warned all those who were not interested in real cooperation with Africans to "get out of the country". The panic-stricken exodus of Asians to Britain attained a greater momentum in the wake of quit notices served to the Asian traders by the Kenyan government and rumours that the British government intended to introduce harsh immigration restrictions.

The nationalistic fervour with which the Kenyan government undertook Africanization measures had also affected the Kenyan citizens of Asian origin. In the name of correcting the gross economic imbalance, the government denied equal opportunities to the Asians and, at the same time, extended preferential treatment to the Africans in commerce, education and employment. The net result of the discriminatory policy of the government


19. For numbers see Tinker, n.1, pp.130-1.
was that it removed the economic imbalance that existed against the African community, but created an economic imbalance against the Asians. 20

Unlike in Kenya, the upsurge of Ugandan African nationalism acquired a revolutionary fervour in 1972 when Idi Amin issued a decree ordering the expulsion en bloc of aliens of Asian origin within ninety days. Prior to the adoption of such a revolutionary path to Africanize Uganda by Idi Amin, the post-independent Ugandan regime under Milton Obote, influenced by the Africanization programme in Kenya and Tanzania and under pressure from the Ugandan Africans, undertook several administrative measures 21 to facilitate a large scale African participation in the country's economic activities. Such administrative actions, especially the Immigration Act of 1969, had exerted tremendous pressure on non-citizens of Asian origin to leave Uganda. Most of them emigrated to Britain; some of them went to Canada and the United States and a few opted to go to India. 22

The 'economic war' which Idi Amin waged against the Asians by issuing the decree of expulsion, triggered off their exodus to various countries. 23 All those Asians (numbering 4000) who chose to remain in Uganda were transported from the urban areas to rural areas and given plots of land to


The distressing feature of the Asians' expulsion was that they were allowed to carry only £50 in cash and £450 worth of personal belongings per family, subject to a weight limit of 200 kilos. As regards movable and immovable property outside the limit, the government's instruction was that an inventory of all such property be prepared and handed over to the Ugandan authorities for valuation and assessment. After that, they were to be sold to Ugandans and the value recovered would be deposited in banks in block accounts. Later, it was to be adjusted in accordance with a common understanding between the Ugandan government and the government of the country in which the expelled Asians settled. The Indian nationals who left Uganda had received compensation for their nationalised property. However, Amin refused to enter into formal negotiations with Britain on the payment of compensation to the British nationals.

While the upsurge of nationalism in Burma, Kenya and Uganda had the goal of achieving economic paramountcy of the natives over the Indians Overseas, Fijian nationalism intended to preserve political power solely in the hands of the ethnic Fijians. Towards this end, the Fijian political system itself, both during and after the colonial period, developed legal structures of discrimination against the Indians. For instance, the Constitution of 1970, while recognising in theory the principle of parity of representation in respect of both the Indians and the Fijians,


established in practice an ethnic Fijian electoral advantage over the Indians. More importantly, a major part of the statutory law governing the Fijian interests was entrenched in the Constitution itself and no change could be made in such laws in any way by the elected House of Representatives. However, the rights of the other communities were not protected in any such special way under the 1970 Constitution. 27

The fact that the Fijians would never prepare to relinquish political power to the Indians, was evident from the Fijian dominated Alliance Party's stand on the Royal Commission's (1975) recommendation for the abolition of racial reservation for the national seats under the 1970 Constitution in favour of introduction of a common electoral system. Declaring that the 1970 Constitution was a permanent arrangement, Prime Minister Ratu Sir Kamisese Mara warned that any change in the electoral system would cause bloodshed in the country 28. This incident also revealed that the Indian community would always have to accept the Fijian political rule, without getting a chance to govern the country themselves. Because the Fijians would never tolerate the Indian rule in Fiji. For them, the very idea of an immigrant community capturing power would be unimaginable and intolerable.

All these predictions came true, first, in April 1977, when Governor General Ratu Sir George Cakobau, instead of giving the Indian dominated National Federation Party (NFP), which secured a slender majority in the 1977 elections, a chance to form the government, invited Ratu Sir Kamisese Mara of the Alliance Party to become the Prime Minister. Second was in May


1987 when General Sitiveni Rabuka overthrew in a bloodless coup the Indian dominated Fiji Labour Party - NFP coalition government under the Prime Ministership of Dr. Timoci Bavadra. Rabuka confessed that he would have staged a military coup in 1977 also, had the NFP been given a chance to form the government. 29

The fall out of the 1987 coup has been the reduction of parliamentary representation hitherto enjoyed by the Indians. Under the Constitution of 1990, out of 69 seats in the House of Representatives, 37 seats are reserved for the ethnic Fijians as against 27 seats for the Indians, four General Electors and one Rotuman. The Constitution also provides for the setting up of a 34 nominated member Upper House (the Senate of Chiefs) which is heavily weighted towards the Fijian interests by the nomination of Fijian Chiefs and government supporters. 30

The composition of Parliament revealed that Rabuka's aim while drafting the new Constitution was to ensure that the unwritten code of Fiji—that the Indians would stick to business, leaving politics to Melanesians—would never again be violated. Defending the Constitution, he stated that "he was not discriminating against the Indians but only looking after the Fijian interests; Indians were welcome to live and work in Fiji, but were also free to leave". 31

The fact that the Indians are considered as outsiders in Fiji is also evident from the pattern of land ownership on the island. As a legacy of the British rule in Fiji, the ethnic Fijians enjoy an 'inalienable' right to own about 83 per cent of the country's total land, while a vast


majority of the Indians are land less (they own only 3 per cent of the total land). As such, the bulk of the Indian population undertakes sugar cane farming only on leased Fijian native land, of limited tenure. The general demand of the Indian tenants has been for a more secure tenure (for 99 years) that would extend beyond the usual 10 to 80 year leases. Apprehensive of losing control over a vital resource and harbouring the desire of one day entering the world of commercial cultivation themselves, the Fijian land owners rejected the Indian demand. The point relevant here is that the pattern of land ownership helped the Fijians to assert their claim that 'Fiji belongs to the Fijians alone'.

In Sri Lanka, the patriotic upsurge of Sinhala nationalism during and after the colonial period gave impetus to the United National Party (UNP) government to enact three laws within a span of two years immediately after the country's independence, which led to the decitizenisation and disenfranchisement of the Indian Tamils in 1948-49. Also, the successive governments in Sri Lanka ignored the welfare of the Indian Tamils for several decades.

**Excessive Racism in the Host Society**

If the Indians Overseas in Burma, Kenya, Uganda, Fiji and Sri Lanka were the victims of upsurge of nationalism in their adopted countries, the South African Indians' problem arose out of the ideology of racism which the Government of South Africa pursued to govern the political system.


33. The land distribution and usage by different communities is an emotive issue in Fiji. The Fijian leader, Ratu Mara once warned that "if Fijian emotions affecting land were disturbed, blood will flow". See Ahmed Ali, "Political Status of Indians in Fiji", in I.J. Bahadur Singh, ed., *The Other India: The Overseas Indians and their Relationship with India* (New Delhi, 1979), pp.101-2.

34. For an exhaustive discussion on this subject see Chapter V.

35. The Indian Tamil community's socio-economic profile is given in Chapter IV.
there. In the race-based, compartmentalised South African society, the Overseas Indians form a group whose status is permanently subordinate to the supremacy of the White minority. Such a status has been inflicted upon them by various measures of the South African White regime, aimed at imposing restrictions on their civic rights in several matters—such as franchise, trading licences, the ownership of land, areas of settlement and freedom of movement from province to province.36

It was rather difficult for the Indians Overseas to achieve equality and social justice because the entire South African system rested on the principle of 'inequality'.37 It was in tune with this principle that the South African government enacted legislation since 1925,38 to enforce its policy of segregation by developing vigorously separate residential and commercial areas for Whites, Indians and Blacks. The South African government justified the segregation of communities on the ground that it was 'not a negative policy of oppression or exploitation of the non-Whites, but a constructive policy of benevolence, protection and cooperation'.39

36. Several studies have dealt with the South African Indian problems in historical perspective. A few of them are Iqbal Narain, Politics of Racialism: A Study of the Indian Minority down to the Gandhi-Smuts Agreement (Delhi, 1962); S.B. Muckerji, Indian Minority in South Africa (New Delhi, 1959); Bala Pillay, British Indians in the Transvaal: Trade, Politics and Imperial Relations, 1885-1906 (London, 1976).

37. Accepting this fact, a South African delegate told the UN General Assembly that the "inequality was the bedrock of the South African Constitution". Quoted in P.S. Joshi, Verdict on South Africa (Bombay, 1945), p.109.


The segregation policy had enormous bearings on the South African Indian interests. As a part of the most extensive forced removal and relocation of population known in peace time, under the segregation policy, several thousands of Indians were uprooted from their homes to the areas reserved for them. This process not only destroyed the traditional occupation of the South African Indians, but also caused enormous financial loss to them.\textsuperscript{40}

At present, although the South African Indians' century long struggle for equality and social justice has not completely emancipated them from social oppression and discrimination, the progress made in reducing the levels of their deprivation and disabilities following the liberal implementation of the apartheid policy has over the years been significant.\textsuperscript{41} They appear comparatively privileged over blacks, but considered in relations to the Whites, are still discriminated against and form an oppressed minority. The socio-economic position of each group may be graded in the following hierarchy: the Africans at the bottom, the Whites at the top and the South African Indians figure somewhere in between them.

It must be noted that South Africa cannot be singled out for following the ideology of racialism. Countries such as Kenya, Uganda,\textsuperscript{42} Fiji and Sri

\textsuperscript{40}See Frene Ginwala, \textit{Indian South Africans}, Minority Rights Group Report no.34, p.12.


\textsuperscript{42}The Kenyan and Ugandan governments, in principle, preferred 'Kenyanisation' and 'Ugandanisation' (which embraced all citizens of Contd ...
Lanka also pursued the policy of racial discrimination under the cover of indigenisation or nationalisation. However, the racialism in these countries were not the carbon copy of South African racism.

**Economic Prosperity of the Indians Overseas**

One of the underlying factors which contributed to the growth of local nationalism and anti-Overseas Indianism in the minds of natives, was the economic position held by the Indians Overseas in the countries of their adoption. In countries such as Burma, Kenya and Uganda they earned an image of being proteges and peddlers of the British imperialists and the agents of colonialism because of their economic prosperity and control of the local economy.

In Burma the Chettyars themselves were responsible for the growth of chauvinism of the Burmese nationalists, which led to the nationalisation of their lands and business. As a community which basically professed money-lending, the Chettyars became land owners under circumstances beyond their control. About two and a half million acres of the most productive paddy lands in Burma came under their ownership in the wake of the economic crisis in the 1930s which forced many Burmese farmers to part with their

Contd. F/n.42 ...

whatever race) to govern their respective nationalisation programmes. When the programmes were implemented, their attitude was, in practice, oriented towards achieving Africanization (which implied only the promotion of the African interests in Kenya and Uganda). In Kenya, many did not consider Africanization as a socialist measure, but a racist measure. For details on the Parliamentary debate on this issue see Gertzel, n.14, pp.28-32;

43. Criticising the decitizenisation of the Indian Tamils, Hugh Tinker maintained that Sri Lanka, in a different way, "imposed upon its Indian population a form of apartheid which was just as severe". Tinker, n.1, p.20.

lands in order to meet their debt obligations to the Chettyars. As such, the Indian community acquired a huge amount of wealth (more than £150 million at 1940-41 prices). This gave rise to anti-Indian feeling in the minds of the Burmese nationalists who, during the agitation for separation of Burma from India in the 1930s, described the Chettyars' occupation of lands as an instance of "Indian colonialism within British colonialism".

At the time of the second phase of nationalisation programme in Burma, as many as five out of fourteen banks which were nationalised in 1963 were owned by the Indians. They occupied a key position in the country's economy in the sense that the profits earned by them represented about 43 per cent of their capital. They were also in a position to control about one-third of the country's production.

With regard to the Kenyan Asians, the middle-layer position--while the Europeans and the Africans were placed at the top and bottom respectively--which they occupied in the socio-economic pyramid of the society, by virtue of their dominance in the distribution sector of the Kenyan economy and civil service, formed a factor for the rise of anti-Asianism

45. Ibid., p.95. For an exhaustive account of the Indian economic position in Burma during the pre-independence period see Ibid; chapters V-VII. Also see Adas Michael, "Immigrant Asian and the Economic Impact of European Imperialism: The Role of the South Indian Chettiars in British Burma", Journal of Asian Studies (Michigan), Vol.33, no.3, May 1974, pp.385-402.

46. Chakravarti, n.44, p.64.


48. In 1968, about 31 per cent of the Africans earned the annual per capita income of £119, nearly 50 per cent had the income between £120 and £239 and only one per cent earned more than £900 per annum. At the same time, about 80 per cent of the Europeans earned more than £1800 and nearly 87 per cent of the Asians had £720 and above. Tandon and Raphael, n.20, p.7.

among the Africans. The new class of African entrepreneurs which emerged immediately after the Second World War had cultivated the stereotype of the Asians as 'economic exploiters'. They were able to hit back at the Asian traders by identifying their own particular interests with those of the African squatters and giving anti-Asian sentiments a political platform where the Asians were accused of holding back the progress and participation of the Africans in the economy of Kenya. Their main goal for doing so was to replace the Asian traders, an objective that was easily integrated within the mosaic of interests that formed the basis of African nationalism in Kenya. Under the pressure from the Africans, the State itself intervened in the economy in a major way, primarily to build a strong indigenous business class.

The Africans' demand for the indigenisation of the Kenyan Civil Service was also borne out of the Asians' dominance in that occupation. According to the figures of 1968, despite their small population, the Asians accounted for 25 per cent of the total top echelons of administration and economic management, while the Europeans occupied 60 per cent of the positions and only 2 per cent of such posts were held by the Africans. The Asians' percentage in other skilled and semi-skilled employment was also relatively more than the Africans. For instance, the Africans occupied only 6.4 per cent of the clerical jobs, while the Asians accounted for 14

50. During the colonial period, the Asians were seen as appendage of the European rule in Kenya. They were accused of not having helped the cause of African nationalism or of having collaborated with the British colonialists in frustrating the African aspiration. This however overlooked the Asians' early struggle for equality with the Europeans which led to the recognition of the paramountcy of the Africans. For a discussion on the Asian involvement in colonial politics see Dana April Seidenberg, *Uhuru and the Kenya Indians: The Role of a Minority Community in Kenya Politics, 1939-1963* (New Delhi: 1983).

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per cent of the total seats. 52 Such an occupational break down showing the deprivation of the Africans' share in civil service, suggested the need for corrective administrative measures aimed at bringing many Africans into the top administrative, professional and executive positions.

The economic position held by the Ugandan Asians was similar to that of the Kenyan Asians: they occupied the middle-layer position in the three-tier Ugandan society, while the Africans were at the bottom and the Europeans at the top. This set-up gave rise to the hardening of African nationalism against the Asians which was, of course, slower in taking effect than in Kenya. This was evident from the fact that Uganda did not opt for the crash programme of Africanisation until Idi Amin came to power in 1971. That the regime of Milton Obote was more tolerant of Asians as a separate community could be substantiated by the fact that 'not many anti-Asian speeches were made, nor much advice handed out to them' during the sixties. 53

To identify the extent of the Asian control over the Ugandan economy, it is necessary to classify the community in terms of occupation. About half the Ugandan Asians owned their own business; the rest were employees, and of these, 11 per cent were people with professional or high technical qualifications, 16 per cent were in administrative, managerial or executive positions, 30 per cent had secretarial or clerical jobs and 30 per cent were skilled manual workers. 54 It is clear from the occupational break down that the areas of competition between the Asians and the Africans were trade and employment.

It is also evident from the above classification that the Asians held the middle-tier position (subordinate staff) in bureaucracy while, on

52. Tandon and Raphael, n.20, p.7.
54. Tinker, n.1, p.155.
racial and financial grounds, the top-tier (administrative positions) was reserved for the Europeans. The Africans occupied the menial and unskilled jobs.

There were persistent demands from the African community to Africanise the entire subordinate service during the colonial period. Although the government desired to accept the demand, very little was actually done to this effect. When the colonial administration handed over power to the independent Ugandan government in 1962, European officers ceased to be a barrier to the African advancement. Most Asian civil servants however, only changed masters and were visible as a legacy and a reminder of the unhappy African days in the colonial civil service. 55

Commercial rivalries between the two communities became acute mainly during the post-independence period because, as serious rivals to the Asian dukanaWallahs, African traders emerged in the late fifties and they were not as numerous as their counterparts in Kenya. As regards the commercial control of the Asians during the post-independence period, most of the wholesale trading firms as well as a large segment of the retail trading sector, industry and other commerce were in their hands. Besides, their position in the high-level man power stock in the economy was also significant. 56 Thus, in a number of ways the Asian community wielded considerable economic power in Uganda, and in a sufficiently flexible way as to adapt themselves after independence to become possibly even more powerful than before.

The Asians' dominance in commercial sector reflected in their average level of income: Their income fell between that of Europeans and the

55. For a succinct account of this subject see Nizar Motani, "The Ugandan Civil Service and the Asian Problem 1894-1972", in Twaddle, n.21, chapter 7. For statistical data on the Asian share in the employment see M.A. Tribe, "Economic Aspects of the Expulsion of Asians from Uganda" in Twaddle, n.21, pp.152-6.

56. For an exhaustive account of the Asian enterprise in Uganda see Ramchandani, n.21: Also see Tribe, n.55, pp.156-65.
Africans, and they held a very privileged income position in relation to the Africans. This is evident from the fact that in the sixties the per capita Asian income of £288 was 24 times more than that of the per capita African income in the monetized sector and the per capita European income was 82 times more than that of the African. Even if the income generated in the subsistence sector was added to the African monetary income, the Asian per capita income remained 15 times greater than that of the African. 57

With their economic affluence, the Overseas Indians' overwhelming presence in the capitals of Rangoon, Nairobi and Kampala was significant. In all these places, they were very 'visible' to a hostile eye. Thus, in the context of problems of the Burmese Indians and Ugandan Asians, Hugh Tinker stated that the Indian dominance of the nation's capital was a "most obnoxious aspect of the fight for national renascence to the Ugandan and Burmese leaders". 58

**Numerical Predominance of the Overseas Indians**

In Fiji the principal contributory factor for the Fijians' demand for political supremacy was the numerical predominance of the Indians and their competition for political power. The fast growing Indian population since the forties 59 due to higher birth rates, 60 which reduced the natives to the position of a minority community, 61 frightened the ethnic Fijians.


58. Tinker, n.1, p.139.

59. See Appendix 11.


61. In recent years, Indians' share in the Fijian population has drastically been reduced by their emigration to Australia, New Zealand and the Western countries. For the latest population of the Indians and the Fijians see Chapter 1.
They became anxious of their own future\textsuperscript{62} when the Indian population growth was viewed with the Indian demand for a common electoral system, under which pure numbers decide the elections. Hence, the adoption of communal electoral system and a constitution which, by envisaging a racially imbalanced Parliament, ensured the political supremacy of the Fijians.

The ethnic competition for political power was heightened by the Indians' insecurity which sprang from their political weakness caused by the political strength of the Fijians. Considering the communal franchise as a stigma, the Indians demanded for the introduction of a common franchise which they idolised as the panacea that would provide them with security, by ensuring them a permanent place under the Fijian sun.\textsuperscript{63}

Unlike the Fiji Indians whom the ethnic Fijians considered as a threat to their political interest, the Indian Tamils formed a politically significant minority in Sri Lanka.\textsuperscript{64} As such, the host government's attitude towards their problem was governed by the question whether their role in the island's polity was conducive to the ruling Sinhalese elites' political survival and sustenance. In other words, the UNP government's decisions to decitizenise the Indian Tamils in 1948 and enact the citizenship Act of 1988 to confer Sri Lankan citizenship on all the residue

\textsuperscript{62} The Fijian leader, Ratu Sir Lala Sukuna, advised the Indians: "Study your birth rate and do not allow it to damage social relations". Cited in Tinker, n.1, p.61.

\textsuperscript{63} See Ali, n.26, pp.6-7.

\textsuperscript{64} In the early years of Sri Lanka's independence, the Sinhala nationalists felt that the Indian Tamils and the Sri Lankan Tamils would congregate together by virtue of their ethnic commonality to pose threat to the political interest of the Sinhalese. In 1972, with a view to increase its political effectiveness, the Ceylon Workers Congress (CWC), the prominent Indian Tamil organisation, merged with the main Sri Lankan Tamil Parties to form the Tamil United Front (which became Tamil United Liberation Front in 1975). However, the CWC withdrew from the Front when it declared to form a separate Tamil Eelam.
stateless Indians, were influenced by the party's consideration of the Indian Tamil votes. To elaborate, the first decision was born from the fact that the Indian Tamil votes formed a threat to the electoral prospects of the UNP. The second decision was taken as a result of the party's need to win their political support in the Presidential and Parliamentary elections scheduled for December 1988 and February 1989 respectively, so as to ensure the UNP leadership's political survival.

With regard to South Africa, the numerical inferiority of the Whites formed a factor for resting the political system on the principle of unequal rights of different racial groups. Often they expressed the fear that they might be replaced by the non-Whites as a privileged class, or at least have to share and compete for the fruits of privilege. This was further accentuated by the fact that the Whites found themselves on a continent which was predominantly non-European. Such a fear complex was translated in racial terms which laid the foundation for the enactment of extremely discriminatory measures against the Indians Overseas, envisaging even their repatriation in order to ensure a predominantly European character of South Africa's population.

Suspicion About the Loyalty of the Indians Overseas

In the post-colonial era, the Burmese Indians and the Asians in Kenya and Uganda were called upon to declare their undivided loyalty to the respective countries of their adoption by taking up local citizenship. But their failure to respond positively to this demand hardened the attitude of

65. This subject has been discussed in Chapter V.

66. For details see Chapter VII.

the natives towards them. In this context, it can be stated that one of the fundamental factors which governed the attitude of the host governments vis-à-vis the Overseas Indians, was their intention to maintain their alien character in their adopted country.

Majority of the Indians in Burma looked upon Burma as a land of livelihood and a place of temporary exile. They preferred to remain as Indian nationals in Burma, as they did not exercise their option to acquire Burmese nationality under the liberal citizenship provisions enshrined in the Constitution of 1948 within the time limit fixed (initially, up to 4 April 1949 and then extended to 1951). Until April 1949, only about 150,000 Indians opted for Burmese citizenship, regardless of the official announcement by the Burmese government welcoming the Indian presence in the country and assuring them fair opportunities to obtain their due share in the polity. The poor response of the Indian settlers was partly because of their own apathy and partly due to their feeling of insecurity in the country.

The acquisition of citizenship as a matter of right, if the prescribed qualifications were fulfilled, under the constitutional provisions was automatic up to January 1951 and the Burmese government had no option but to grant it. Thereafter, the Indians could only apply for naturalization for which the requisite qualifications were as follows: a minimum period of five years of residence in any of the union territories of Burma; knowledge of one of the Burmese languages, and one year advance notice to the government of the intention to take up Burmese citizenship. The All

68. For provisions see Kunhi, n.3, pp.455-7.
71. Cited in Mahajani, n.69, p.184.
Burma Indian Congress (ABIC) suggested the educated and prosperous Indians to make their own choice for citizenship. It, however, did not advise the Indian labourers to seek Burmese citizenship because they had families in India, but strongly urged the Indian agriculturists to take up Burmese citizenship, since all of them being either owner cultivators or tenant cultivators, had a vital permanent stake in Burma. However, the twin factors viz., gross ignorance coupled with a sentimental attachment to India on the part of the Indian peasants and their diffusion in inaccessible rural areas, dampened the initial enthusiasm with which the ABIC had addressed itself to the problem.

It was estimated in 1962 that out of the total 5.5 lakh Indian immigrants in Burma, about 1.8 lakh persons were Indian passport holders; approximately 3.7 lakh people were found without any citizenship papers, of which nearly one lakh Indians were technically eligible to apply for Burmese citizenship and the remaining 2.7 lakh persons were considered stateless. It may be noted that the majority of the persons without documents were farmers and workers; most of the Indian passport holders belonged to the mercantile class.

The Kenyan Asians were also reluctant to acquire local citizenship under the liberal citizenship provisions of the country's independent Constitution of 1963 as they preferred to hold on tenaciously to their British nationality. Out of 180,000 Asians in 1968, about 60,000

72. Usha Mahajani, "India and the People of Indian Origin Abroad", in M.S. Rajan, ed., India's Foreign Relations During the Nehru Era: Some Studies (Bombay, 1976), p.249.

73. Mahajani, n.69, p.184.

74. Statement by Lakshmi Menon, the Minister of State for External Affairs, LSD, third series, Vol.1, no.4, 19 April 1962, col.83.

automatically became Kenyan nationals by birth; 20,000 had applied for Kenyan citizenship, out of which nearly 11,000 applicants were granted citizenship. Rest of the Asians, who constituted a numerically significant group, decided to retain British passports. As such, they were considered as aliens because the Kenyan Constitution did not permit the system of dual citizenship.

Although it was the economic factor that influenced the Asians to retain their British passports, the decision to this effect was taken against the background of the abolition of the system of dual citizenship in India, post-colonial political developments in East Africa which created uncertainties for the Asian interests, and the British passport holders' right to enter Britain at any time. To the Asians, migration to the UK always meant a large increase in earnings and a more secure life. They felt that surrender of their British passports would not only restrict their freedom to move out of Kenya, but also take away the right to any kind of protection in the event of confiscation of property or persecution in Kenya. For many, thus, not taking up Kenyan citizenship was keeping the option open for settlement elsewhere. They might have expected redundancy and victimization and felt that they would be eventually have to build up a home in Britain.

Just as in Kenya and for the same reason as in Kenya, there were obvious reluctance on the part of the Ugandan Asians (most of whom held the

78. See Anirudha Gupta, "India and the Asians in East Africa", in Twaddle, n.21, p.130.
anomalous status of British protected persons) to acquire citizenship. 79 By the end of 1969, only about one-third of the total 73,000 Asians, who were settled in Uganda at the time of its independence, had acquired citizenship. 80 Most of them were Ismailis who applied for citizenship en masse. 81 There was a tendency among the Asian males to become Ugandan citizens, while the females retained other citizenship as a form of insurance in case of expulsion. As such, around 35 per cent of the male Asians aged between 15 and 49 were Ugandan citizens, while only about 28 per cent of the Asian females in the same age group acquired citizenship 82.

It must be noted that the acquisition of local citizenship by the Overseas Indians did not always mean that the suspicion about their loyalty to the country of their adoption was cleared. Rather, in some countries, the intentions of all those Indians Overseas who identified themselves with the national aspiration of the natives were also suspected by the host society. The predicament of some of the Asians in East Africa was a testimony to this fact. In Kenya, the Asians who acquired the Kenyan citizenship continued to bear the title 'economic exploiters'. Casting suspicion on their loyalty to Kenya, 83 President Jomo Kenyatta himself stated that the Asians became citizens only with the aim of amassing wealth and depositing it in foreign cities. 84 Such a predicament of the Asians is

79. For citizenship provisions see K.C. Kotecha, "The Shortchanged: Uganda Citizenship Laws and How they were Applied to its Asian Minority", The International Lawyer (Chicago), vol.9, no.1, January 1975, pp.1-29.


81. The Ismailis, who did not regard themselves as British Asians, were a minority within the Asian minority community. For the community's characteristic features see Gardner Thompson, "The Ismailis in Uganda", in Twaddle, n.21, pp. 30-52.

82. Jorgensen, n. 80.


rightly described in the following lines:

'To be Asian in Africa means that one is always wrong... In politics where Asians collaborated with Europeans, they were blocking African aspirations. When they sided with Africans... they were being opportunistic in anticipation of independence... those Asians who did not opt for local citizenship were accused of disloyalty; those who did were suspected of opportunism and were still discriminated against on racial grounds.

Similarly, the Fijians suspect the loyalty of the Indians to Fiji. This is one of the reasons for the conspicuous absence of the Indians in the Fijian military service. The Fijians themselves created an impression in the country that 'they are essentially more loyal to the State by virtue of their military service than the Indians'.

Having analysed the predicament of the Overseas Indians, we can conclude that the acquisition of local citizenship by them in Burma, Kenya and Uganda would not have dissuaded the governments in these countries from pursuing their respective policies of Burmanization and Africanization. Because it was not merely the alien character of the Overseas Indians that influenced these countries to undertake such measures but also, more importantly, their affluent economic position.

Unlike the countries mentioned above, the South African situation was different. The government there did not acknowledge the reality of the South African Indians' permanence in the country until 1962, despite


87. Some of the possible reasons for recognition of the South African Indians' permanent settlement following South Africa's attainment of Republic in 1961 were: failure of the anti-Indian legislation to coerce them to leave the country, need for the South African government to put up the defence against India in the United Nations that the South African Indian problem was its internal matter and the Groups Areas Act eliminated the Indian competition in trade.
their possession of legal evidence to prove their citizenship status. Rather, considering them as aliens who ought to have returned to India after the expiry of their immigration period, it alleged that South African Indians were primarily loyal to India. This however proved false as only a small proportion of them numbering nearly 15,000 opted for repatriation to India under the Cape Town Agreement (1927) during 1927-1939.

**Overseas Indians' Contact(s) with India**

In some cases (the Burmese Indians and the Indian Tamils of Sri Lanka), the host society also suspected the loyalty of the Indians Overseas because of their maintenance of social and personal contacts with India. Their periodic visit to their mother-land, facilitated by the geographical proximity of India to their land of adoption, earned them a name of mere 'birds of passage' or 'transient population' who wanted to keep one foot in the country of their settlement and the other in their country of origin.

Such allegations were given prominence in Sri Lanka while enacting the citizenship laws to decitizenise the Indian Tamils. One of the grounds on which the UNP government justified the inclusion of stringent provisions in the citizenship laws, was that it did not want to confer its citizenship on those people (meaning the Indian Tamils) who had no genuine and abiding interest in Sri Lanka and no intention of making the island their permanent home. As such, the Sinhalese leaders wanted those Indian Tamils who continued to be loyal to India by virtue of their contact with it to exercise their right to become Indian nationals.

Similarly, a major proportion of the Burmese Indians were 'birds of passage', coming to Burma to earn better and then returning to India. This,

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89. Tinker, n.1, p.23.

90. For details see Chapter V.
coupled with their affluent economic status and failure to identify with the emerging nationalist political movement, became a factor for the development of anti-Indianism in the minds of the Burmese nationalists. Majority of the Chettyars belonged to this category, whom the Burmese saw as a symbol of exploitation. Even those who regarded Burma as home remained Indians first and Burmese last.

**Social Exclusiveness of the Indians Overseas**

The suspicion about the Overseas Indians' loyalty to the country of adoption was further accentuated by their exclusive and isolationist social existence. In most of the countries, even after the acquisition of local citizenship, they maintained their separate ethnic identity by upholding the Indian culture, religion and values and thereby formed a socially insulated enclave within the host society. This gave rise to resentment among the natives who, in countries like Sri Lanka, feared that the popular Indian culture would swamp native culture and destroy their identity as indigenous people. Therefore, as a panacea to safeguard their ethnic identity, the nationalists in countries such as Kenya, Uganda, Burma and Sri Lanka demanded the Indians Overseas to integrate with the host society's indigenous population.

The strategy prescribed for integration varied from country to country. In the East African societies of Kenya and Uganda, it was emotionally woven round the prescriptive formula of inter-ethnic marriage. The Kenyan Africans, apart from their continuing concern about economic exploitation, laid the main emphasis upon the Asians' social exclusiveness by maintaining the system of intra-ethnic marriage. Many of them insisted

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92. For details see Chapter V.

93. The issue of integration in East Africa is discussed by Ghai and Ghai, n.49, pp.205-8; Yash Tandon, "Political Problems of Indians in East Africa", in Gupta, n.41, pp.216-220.
that real integration would mean marriage between African men and Asian women and "cocktail integration", in the words of Tom Mboya, was not enough.\footnote{Tom Mboya, \textit{Freedom and After} (London, 1963), p.109, quoted in Tinker, n.1, p.135.}

Similarly, General Amin, before the expulsion of the Asians from Uganda, made speeches exhorting them to identify more closely with the country through the system of inter-ethnic marriage. He himself indicated that he would be glad to marry an Asian widow.\footnote{Tinker, n.1, p.158.} Besides the economic factor, Amin gave social exclusiveness of the Asians as a reason for their expulsion.

The sensitive subject of inter-ethnic marriage cropped up in all discussions of Asian integration and had a quite disproportionate symbolic importance, both positively and negatively: for Africans it was the "unattainable price".\footnote{\textit{Ibid.}, p.135. The practical difficulties in achieving integration is identified by Tandon and Raphael, n.20, pp.8-9.} Most of the Asians were only prepared to adapt, but not to the point of assimilation with the Africans; only a few of them were prepared to identify themselves completely with Africa to the exclusion of all ties with their mother-land.

In Burma and Sri Lanka, neither the term 'integration' nor the strategy to achieve it was defined. All that the Burmese and Sinhalese nationalists emphasised rhetorically, was the integration of the Overseas Indians with the natives. Interestingly, as a striking contrast to the system of inter-ethnic marriage insistently professed by the Africans of Kenya and Uganda, the Burmese\footnote{For details on the Burmans' opposition to inter-ethnic marriage see Chakravarti, n.44, pp.11 and 125-6.} and the Sinhalese seemed to have been against such marriages as a strategy of integration. Instead, they sought
to achieve it by asking the Indians Overseas, in the case of Indian Tamils, mainly to join completely the national political mainstream by identifying with the Sinhala dominated national political parties after severing their ties with the community based organisations (such as the CWC) and, in the case of Burmese Indians, to establish critical linkages with the emerging economic and political nationalisms and the Burmese party organisations.

The South African situation presented a striking contrast to all the above mentioned countries in regard to the question of integration. Unlike the other host societies of the Indians Overseas, the South African society did not seek the integration or assimilation of the South African Indians with other communities (the Whites and the Blacks). Rather, it sought to achieve a separate development of each racial group by creating enclaves under the policy of segregation. The South African government argued that the segregation was the only way to minimise frictions and animosities between different racial groups and secure harmonious parallel development; juxtapositional residence of different racial groups would tend to inevitably multiply racial frictions. The White minority also viewed that the policy of segregation recognised "the worth of every race, the right of every race - European and non-European alike - to be and remain itself, to have its own ethos, and in short, to etch its own place and sphere and to develop its own characteristic potentialities in amicable harmony with other races".96

The accusation that the Indians Overseas did not integrate with the host society was the most serious indictment against them, and one of the justifications for the nationalisation of the Asian property in Kenya, expulsion of the Asians from Uganda and decitizenisation of the Indian

98. These arguments were put forth by the South African delegates in the UN General Assembly debates on the South African Indian problem. See Sabikhi, n.67, pp.16-18, pp.115-27.
Tamils in Sri Lanka. The question thus arises is: Would the integration of Asians with the Africans have dissuaded the Kenyan and Ugandan governments from pursuing the policy of Africanization? Would the Sri Lankan government have given citizenship rights to all the Indian Tamils had they abandoned their social exclusiveness? The plain answer is negative because, in practical terms, the Overseas Indians' social exclusiveness was only an excuse for the host governments to adopt measures against them. But the real reasons, as mentioned earlier, was, in the case of Kenya and Uganda, the affluent economic status of the Asians and, in the case of Sri Lanka, the threat which the Indian Tamil votes posed to the electoral prospects of the dominant Sinhala party, i.e., the UNP.

Advent of Dictatorial Regimes in Host Countries

The changing position of the Indians Overseas in Burma, Uganda and Fiji was also influenced by the changing nature of political systems in these countries. In these countries a military dictator came to power without any clear political or economic programme, but with a view to demonstrate that he was more "effective than his parliamentary predecessors". This process considerably affected the Overseas Indians' interests because all three dictators - General Ne Win (Burma), General Idi Amin (Uganda) and General Rabuka (Fiji) - exhibited a 'show of strength' to their respective countrymen by playing upon the forces of xenophobia.

By expelling the Asians from Uganda after pushing the logic of 'Indophobia' to its extreme to create a "black ethnocracy", General Amin made them scapegoats mainly to divert the people's attention from other

99. Tinker, n.1, p.139.
economic problems, provide rewards to the supporters of the military regime (as much of the auctioning of Asian assets was biased in favour of particular groups within the army), remove the Asian source of capital outflow and appease the anti-Asian sentiments in order to gain support for his military rule.  

In the case of Fiji, Rabuka captured power illegally by exploiting the racial factor in Fijian politics. He justified the action overthrowing Bavadra's democratically elected government on the ground that if allowed to succeed, the Indian dominated government would have severely undermined the Fijian interests. As such, his measures to reduce the Fiji Indians' number in Parliament were designed to mobilise the ethnic Fijians' support for his undemocratic rule.

As regards Burma, perhaps the Burmese Indians could at least have received a fair amount of compensation for their nationalised small business establishments if a democratically elected leader, instead of a military dictator (Ne Win), continued to be at the helm of affairs in that country.

CONCLUSION

It is evident from the analysis in the preceding pages that there was a close link between the socio-economic and political status of the Overseas Indians, demographic and ethnic factors and the political dynamics of their respective host countries. To substantiate, the South African Indian problem sprang from the apartheid regime's policy of racial

101. Michael Twaddle, "Was the Expulsion Inevitable?", in Twaddle, n.21, p.10.

discrimination which it framed against the background of the Whites' fear of being swamped by the non-Whites (the Africans and the Indians together). As regards the Overseas Indians' problem in Burma, Kenya and Uganda, it was the emergence of local economic nationalism, which of course was translated into racial terms, in the context of their affluent economic status coupled with their alien character, that created a difficult situation for their survival in these countries. The hardships which the Burmese Indians belonging to the retail trading class (even without adequate compensation for their nationalised property) and the Ugandan Asians (who had undergone the agonising process of expulsion) experienced, were tremendous because the nature of the governments in Burma and Uganda was military dictatorship.

Similarly, the Fiji Indians' problem arose out of the upsurge of political nationalism in the country and excessive racism among the Fijians. The contributory factor for this was the Indians' competition with the Fijians for political power, supported by their numerical predominance. Importantly, the establishment of a military dictatorship by General Rabuka made the Fiji Indians' chances of acquiring political power impossible. In Sri Lanka, the Indian Tamils were the victims of the political machinations of the UNP leadership which felt threatened by their support to its rivals in the elections. Thus, the fear of swamping the Kandyan electorate did not spontaneously emerge from the villagers' own thinking, but was created by the UNP itself.

It must be noted that not all the irritants to the natives in the countries mentioned above were caused by the Indians Overseas. Some of the grievances were deliberately cultivated by the natives themselves. Also, the behaviour of a few offending members of the Overseas Indian community served the natives to condemn the entire community.
From the above analysis of the Overseas Indians' problems, we can make the following observations:

i) The occupations such as business and money lending are bound to make the Overseas Indians unpopular. Such unpopularity inevitably would give birth to racial hostility in societies where they formed a minority community.

ii) Concentration of wealth in the Overseas Indians' hands is bound to accentuate the host society's feeling of economic nationalism.

iii) Domination of the Indians Overseas community in the country's polity or its coming to power will not generally be tolerated by the host society except in the countries where there is no indigenous population and the Overseas Indians formed a predominant majority community (example, Mauritius).

iv) Even after a century of the settlement of the Indians Overseas, the indigenous population in several countries looks upon them as aliens.

v) A democratic polity is less harsh in dealing with the Indians Overseas than the political system controlled or ruled by the military dictator or an authoritarian leader.