"We Are Now the Same": Chinese Wholesalers and the Politics of Trade Hierarchies in Tanzania

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Abstract

Many accounts of Chinese migration in Africa compare China to "the West." However, lived historical experiences, social hierarchies and moral mappings of the division of labour have mediated how different peoples in different contexts have received, interacted with and given meaning to Chinese migrants. In Dar es Salaam, Tanzania, Tanzanians talk about so-called Chinese "wamachinga" (petty traders) who have complicated long-standing ideas about "African" and "non-African" roles in the economy, and who have both opened and closed opportunities for different African traders. Based on ethnographic fieldwork in the key Tanzanian wholesale market of Kariakoo, I examine how the entry of Chinese goods and traders has been associated with shifting local economic hierarchies. I argue that debates over the presence of Chinese traders are less about "China" than about the politics of which roles belong to whom in a hierarchical division of labour.

Keywords: migration; trade; racialization; moral economy; Africa–China; Tanzania

The first time that I met Hasani, a Tanzanian solar panel wholesaler in Dar es Salaam’s Kariakoo market, he asked me whether my research concerned the “Chinese invasion.” I had not said anything about my research, so I asked him what he meant. “I mean the Chinese invasion of the marketplace.” Standing between us in the shop was Mr Ren, his Chinese supplier who had introduced us. Mr Ren had told me Hasani was one of his best customers. “Why are there Chinese selling things on the street like the wamachinga (informal petty traders)?” Hasani asked Mr Ren, “Why would they come here to do something like that?”

A Chinese competitor of Mr Ren had been visiting shops, a young man with a backpack of samples he presented to sceptical Tanzanian shopkeepers. He may not have been a machinga, the Kiswahili word for a petty trader (the plural of which is wamachinga), but Hasani still wondered why the Chinese did “the
kinds of jobs Tanzanians could do!” “Tanzanians also benefit,” Mr Ren
responded, pointing out how the goods were cheap. “No,” Hasani responded,
“it is for China’s own interest, they are the ones who benefit, while it is ordinary
people who suffer.” He started to tease Mr Ren: “We are going to kick you out! If
the government doesn’t do anything, the people will resolve the situation them-
selves.” “The economy would collapse if the Chinese left!” Mr Ren responded,
“And what about the Indians?” Indians,2 many of them citizens of Tanzania
for several generations, had long preceded the Chinese as dominant actors in
the economy, and had historically been the target of populist sentiments.
Nonetheless, in this case, Hasani responded, “They are already part of us.”
What does it mean to become “part of us”? What does it mean to be an “inva-
sion”? Are belonging and exclusion mutually exclusive? While most accounts
of Africa–China relations compare China to “the West” and assume Chinese dom-
nination and African subordination in economic affairs, the comparisons Hasani
and Ren make are to African petty traders and Indian shopkeepers. In Tanzania,
as elsewhere, local social hierarchies and lived historical experiences with global
capital circulation have mediated how different peoples in different contexts have
received and interacted with Chinese migrants and capital.3 In Tanzania, Chinese
wholesale traders resemble earlier waves of migrant intermediaries who have
been both “part of” and not part of a changing “us” – the boundaries ambigu-
ously defined by an economic division of labour. This hierarchical division of
labour has been both racialized in terms of ideas about “African” and
“non-African” work, and moralized in terms of who has the right to participate
in a market and which roles they should play in a supply chain. The entry of
Chinese goods and migrant wholesale traders has contributed to destabilizing
earlier hierarchies in the trade sector, undercutting the role of traditional whole-
salers (both Indian and African) while opening trade opportunities to smaller tra-
ders. In this context, the role of “the Chinese” in these shifting hierarchies has
been controversial, and whether they are welcomed or not is based less on
ideas about “China” and more about how Chinese migrants fit into a local racia-
lized and moralized division of labour.

While Chinese state capital investments in infrastructure and natural resources
have attracted the most attention to “global China,”4 the migration of so-called
“petty traders” to Africa has been a longstanding subplot.5 While the scale of this
migration is often overstated,6 its spectre is outsized. For example, in Tanzania,
although only 11 per cent of Chinese firms were engaged in trade as of 2017,7

2 I use the term “Indian” in this text rather than “South Asian” because it is closer to what Tanzanians
referred to in ordinary speech in Tanzania as “mhindi”/“wahindi.” While I adopt the terminology for
convenience, it should be kept in mind that the term, like all ethnic terms, is an invented category.
3 Nina Sylvanus (2013) makes a similar argument about the perception of the Chinese in Togo.
4 Lee 2017.
5 Haugen and Carling 2005; Scheld 2010; Lampert and Mohan 2014; Dankwah and Amoah 2019.
Tanzanian references to Chinese *wamachinga* are prevalent. Indeed, my first introduction to my PhD research was a Tanzanian academic colleague with family in Kariakoo telling me that the Chinese were even selling peanuts! Although I never found peanuts, the story reflects how popular perceptions of “the Chinese” are often centred on their participation in the kinds of business that only “Africans” are perceived to engage in. While not quite “petty trade,” the presence of Chinese wholesale shops is also controversial. While trade only constitutes a small portion of what Chinese people in Tanzania do, the spectre of the petty trader expresses the sensitivity around the division of labour; a tension between the egalitarianism of Africa–China relations and, ironically, the expectation that the economic level of the parties should be uneven.

The official egalitarianism of Africa–China relations is premised on a common heritage as developing societies. However, the condition of possibility for Chinese investment to be meaningful is that China is in fact “ahead” of Tanzania. The presence of Chinese traders troubles this image by suggesting competition rather than complementarity. Chinese migrants themselves described traders in Kariakoo as both the most and least representative Chinese presence. One Chinese tile wholesaler told me that I “should go to Kariakoo” if I wanted to find the Chinese, but he also dismissed trading as not the “mainstream,” and others claimed it was destined to become “history” as Chinese investment moved into manufacturing and services, sectors believed to make a greater developmental contribution. In either case, for ordinary Tanzanians, Chinese goods, if not traders themselves, are how most Tanzanians experience “China.” As Sigalla observes, “when you ask an ordinary Tanzanian about China, you most likely get an answer that is related to Chinese products.”

The visual presence of Chinese products and traders troubles the narrative of Chinese-facilitated industrialization. Notwithstanding significant manufacturing investment, industrialized futures remain pending. The present is understood by scholars to be either dependency continued, or the preliminary stage of the next iteration of the “flying geese” if Chinese investors continue to build factories. Notwithstanding benefits to consumers, Africa–China scholars have been less sanguine about the impact of Chinese traders than they have been about manufacturing investment. African traders going to China have played a dominant role in establishing trade, but economists have argued that only industrialization can lead to sustainable capital accumulation. Otherwise, their “value capture” is limited to “minimiz[ing] the number of transactions between him/her and the factory, on the one hand; and between him/her and the consumer, on the other hand.” Nonetheless, informal trade has been one way ordinary Africans have

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8 Sigalla 2014, 73.
9 Sun 2017.
10 Taylor 2014.
11 Sun 2017.
12 Lyons and Brown 2010; Mathews 2015.
13 Lyons and Brown 2010, 778.
gotten by in lieu of the industrial jobs which have been available to the Chinese after reform and opening. This makes the appearance of Chinese trading in African markets controversial.

However, while some scholars have interpreted local narratives about a total Chinese “invasion” at face value, Chinese traders have often occupied wholesale niches rather than competing in the “margins of the economy.” Furthermore, perceptions of the Chinese often correlate with the class interests of those who benefit or lose. In this paper, however, my goal is not to debunk, but rather use local narratives to understand how the political-economic changes associated with “Chinese” goods and traders have been given interpreted. Like Sylvanus, I am interested “in what these narratives [about the Chinese] reveal about the way people have interpreted and experienced global changes and shifts in the market.” Based on 16 months of fieldwork around the wholesale market of Kariakoo in Dar es Salaam between 2013 and 2018, I argue that Tanzanian perceptions of the presence of Chinese traders express both historical legacies of a racialized division of labour, but also a moral mapping of the market which recognizes the rights of different people to participate in the market while also asserting a hierarchical division of labour between them. Even opposition to the presence of Chinese traders is not absolute, but about restricting their roles in the market hierarchy.

My research is based on participant observation in Chinese and Tanzanian wholesale shops, watching interactions and engaging in mostly unstructured interviews and conversations with Chinese wholesalers, Tanzanian wholesalers and informal retailers. Interviews and conversations with Tanzanian traders were conducted primarily in Kiswahili but several were conducted in English. Interviews and conversations with Chinese traders were conducted primarily in Mandarin. I directly draw on 28 interlocutors for this paper. For some of the interviews with Tanzanian traders discussed here, I was accompanied by a Tanzanian research assistant. Following the interviews, we discussed them together and I wrote down notes. Every day, I also wrote fieldnotes. I did not audio record interviews. Based on these interviews and conversations, I provide an aggregated vernacular account of how Chinese migrants changed Kariakoo market, with a particular focus on the experience of shoe traders. It is not intended to be comprehensive, but an ethnographic account of how people give meaning to economic changes and reveal their normative expectations of an equitable marketplace.

In what follows, I discuss how the entrance of Chinese commodities and traders in Kariakoo in the early 21st century reconfigured trade hierarchies,
particularly in the shoe sector. I provide a narrative of how the mapping of Chinese traders within Kariakoo was shaped by the historical dominance of Indian traders, and how the entrance of “the Chinese” reconfigured the status of “Indians.” I then demonstrate how the Chinese have affected the mobilities of different African traders in different ways. Finally, I discuss how these narratives of shifting hierarchies reveal conceptualizations about the rights of different actors to a division of labour in the market.

**Situating China in a History of Racialized Trade Hierarchies**

Narratives about Tanzania–China relations usually start with two moments of statecraft: the 15th-century Zheng He voyages, and the mid-20th-century construction of the Tanzania–Zambia Railway. However, the relationship might also be contextualized within the broader migration history of the Indian Ocean. Before the late 20th century, Chinese migration to Africa was minimal, although the regions now called China and Tanzania were connected mostly indirectly through ocean-faring Swahili, Arab and Indian traders. Since the 19th century, changes in what is now the Kariakoo district of Dar es Salaam have reflected the larger history of shifting trade patterns between East Africa and the world. Kariakoo’s cosmopolitan character has been shaped by migrations from Arabia, Persia, India and the Congo. Kariakoo and Dar es Salaam more broadly, in Chachage’s words, became “a contested spot and melting pot for the spatialization of categories of people in terms of the trade they plied.”

During this same period, what had been a long history of shifting trade hierarchies gradually became a racialized division of labour. In particular, migrants from what is now north-western India came to dominate trade. The reasons for their dominance are partially a product of colonial power. The sultan of Zanzibar invited Indian financiers in the 19th century to fund caravan expeditions. The Germans suppressed inland African rulers, and both the Germans and the British imposed a “tripartite racial order.” In Dar es Salaam, the colonialists designated Kariakoo as a “Native” district, separated from the “Asian” and “European” districts to the east. One ostensible justification was to regulate market transactions so as to “prevent African farmers and traders from entering credit relationships with Asian shop owners, which colonial officials considered morally questionable and exploitative,” thereby limiting African entry into wholesale trading. These processes contributed to the naturalization of trade

19 Mugane 2015; Prestholdt 2008; Sheriff 2010.
20 Sheriff 2010.
22 Chachage 2018, 41.
23 Chachage 2018; Aminzade 2013.
24 Brühwiler 2015, 210. The name “Kariakoo” originates from the “Carrier Corps,” the military unit stationed in the market during the First World War (ibid., 216).
and shopkeeping as a distinctively “Indian” occupations, with Africans confined to the role of being customers or petty traders.26

Despite colonial attempts at racial segregation, however, Indians still opened shops in Kariakoo and entered into relationships with Africans as tenants, neighbours and creditors.27 While relationships could be tense, they also brought together diverse groups through “intimate and long-standing relations of credit and debt.”28 Nonetheless, “for Africans, Indians were the shopkeepers on the other side of the counter who bought low and sold high.”29 Drawing on these class contradictions, during the interwar period, African nationalists began to naturalize “African” and “Asian” as racial distinctions.30 Heated debates at independence over whether “Asians” should be granted Tanganyikan (and later Tanzanian) citizenship or whether citizenship should be restricted to “Africans” were closely linked to the uneven distribution of capital and wealth.31 For example, at independence in 1961 Indians controlled over half of foreign trade, and two-thirds of the wholesale and retail trade.32

Although the Tanzanian state, under the influence of its founder and first president, Julius Nyerere, officially eschewed a racial definition of citizenship, popular campaigns against capitalist exploitation invariably acquired racialized meanings in the popular imagination.33 The state, like previous colonial governments, also targeted wholesaling as a site of exploitation. Between 1971 and the late 1980s, the state nationalized the wholesale trade, and restricted import licenses.34 The Tanzania–China relationship was established during this time as a state-to-state project.

China provided varied assistance, most famously the construction of the Tanzania–Zambia Railway.35 Nyerere described Tanzania–China cooperation as “a friendship between the most unequal equals.”36 The Chinese who came to Tanzania during these years were engineers, workers and doctors working for Chinese state-owned enterprises (SOEs). Chinese goods first appeared in the market during this time as part of a scheme to support railway construction expenses.37

Only a few private companies, still predominantly Indian, could afford import licenses during the socialist period lasting from the 1960s until the 1980s.38

26 Ibid., 65.
27 Brennan 2012; Brühwiler 2015
28 Brühwiler 2015, 16.
29 Brennan 2012, 70.
30 Ibid., 47
31 A similar situation faced other “middlemen minorities,” particularly the ethnic Chinese in South-East Asia (Bonacich 1973).
32 Aminzade 2013, 339.
33 Brennan 2012, chap. 5.
34 Ndulu and Semboja 1994, 541.
35 Monson 2009.
36 Shangwe 2017, 93.
37 Monson 2009.
38 Dean, Desai and Riedel 1994, 48.
Following the 1980s, trade liberalization not only opened the market to imported goods, but was accompanied by a wave of privatizations of SOEs, reversing the socialist period’s nascent attempts at industrialization. A handful of predominantly Indian-Tanzanian and Arab-Tanzanian, although also several African-Tanzanian, conglomerates emerged during this period to dominate the market in foodstuffs, goods and services. While efforts to “Africanize” the elite capitalist class have a long history in Tanzania, Africanization has gone the furthest in the trade sector.

Kariakoo emerged as the key entrepôt for imported goods, which, by 2014, accounted for 70 per cent of trade. Second-hand clothing (mitumba) dominated at first, followed by China and South-East Asian-produced new clothing. While Indian traders dominated at first, they soon faced competition from African migrants. These included the Chagga, an ethnic group from relatively wealthy northern Tanzania. Migrants from the poorer regions of southern Tanzania have remained predominantly associated with petty trade. Petty traders are called wamachinga, a term initially referring to members of a small ethnic group from Lindi who engaged in this livelihood, but which has since come to refer to all petty traders.

The Coming of Chinese Traders

The emergence of Chinese “petty traders” in Kariakoo in the early 2000s signified a new moment in the local and global economy. The earliest post-reform Chinese migrants often had previous experience in Africa working for SOEs. Later migrants came on their own after meeting Tanzanian customers in Guangzhou, Yiwu or Dubai. An individual from Wenzhou established the first Chinese-operated wholesale shop in Kariakoo in 1997. The earliest migrant entrepreneurs engaged in wholesale importing and some local assembly of plastic flowers, medicine, shoes, motorcycles, electronics and suitcases; during the latter part of the decade and into the 2010s, Chinese migrants began to diversify into construction, light manufacturing and services. Import trading has been an attractive first step for migrant entrepreneurs because it requires less capital and in the worst-case scenario all one needs to do is sell off remaining inventory. The earliest wholesalers rented warehouses close to the airport and came to Kariakoo in trucks displaying samples of artificial flowers, plates and other goods. Resembling petty traders, such wholesalers were, in the words of one older Chinese wholesaler who has worked in Tanzania since the early 2000s,

40 Chachage 2018, 375.
41 Ibid.
42 Fieldnotes based on a 2014 issue of Huaqiao zhoubao (Tanzania).
43 Ogawa 2006, 34. Although an alternative folk explanation is that the term derives from the English term “marching guys” (Msoka 2005).
44 Fieldnotes based on a 2014 issue of Huaqiao zhoubao (Tanzania).
45 Sigalla 2014, 69.
“well adapted” to Tanzanian business life. This nonetheless shocked Tanzanians who, as one Tanzanian economist I interviewed told me, “had never seen non-Africans doing this kind of business.” It also left a lasting impression. Although by 2014 there were around one to two thousand Chinese working in around five hundred Chinese shops (not on the street) in Kariakoo, Tanzanians continued to describe the Chinese as *wamachinga*. Even in scholarship and public fora, it is common to refer to Chinese as doing “petty trade,” despite being predominantly wholesalers.

Some wholesalers are independent trading firms sourcing from multiple China-based factories, others represent single factories as either employees or licensed agents, and others own factories in Tanzania. Tanzanian traders engage in both wholesale and retail. Many rent shops or stalls, but many others sell on the street. Tanzanian traders travel to Dubai and China, but also source from shops in Kariakoo. The Kariakoo Chinese Chamber of Commerce claimed in 2014 if there were African traders who did not source from Chinese shops (which numbered in only the several hundred according to the report), then they sourced primarily from China nonetheless.

Despite “Chinese invasion” talk, Kariakoo remains overwhelmingly African, followed by Indians and Arabs. Chinese shops are scattered, except for two major concentrations specializing in home goods, appliances and shoes. Tanzanians make a distinction between “shops” (*duka*) and “stores” (or “go-downs”). Shops are located on the street, for receiving customers, but stores are storehouses off the street, often in a separate location away from the shop. Not all stores have shops. What made the Chinese presence in Kariakoo controversial was opening shops.

At the time of my research in 2015, there may have been 30,000 to 70,000 Chinese, primarily in Dar es Salaam. While people from Zhejiang, Fujian and Guangzhou predominate in trading, the Chinese community is increasingly diverse. A 2017 survey by McKinsey and Company estimated 825 Chinese-run firms, 92 per cent of which were private. Manufacturing comprises 40 per cent of firms, services 25 per cent, construction and telecommunications 12 per cent each, and trade only 11 per cent. However, while promises of large-scale Chinese manufacturing investments have frequently appeared in news coverage of statements by Chinese diplomats and Tanzanian officials, some of which have broken ground, Tanzania remains, at least at this point in time, dependent on foreign manufacturing.

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46 Fieldnotes based on a 2014 issue of *Huaqiao zhoubao* (Tanzania).
48 Fieldnotes based on a 2014 issue of *Huaqiao zhoubao* (Tanzania).
49 The term *duka* is itself short for *dukawallah*, the name exclusively associated with “Indian” shopkeepers in colonial East Africa. I thank an anonymous reviewer for raising this point.
50 During fieldwork, I heard different numbers. People are continuously arriving and leaving, so there is no settled number.
52 Cf. ibid., 96.
Tanzanian perceptions of the Chinese presence are mixed. Broad surveys have found attitudes to be generally positive, although with criticisms of “illegal activities,” “fake” goods and “petty traders.” Nonetheless, at the time of my fieldwork, during a national election, the Chinese presence was less of an issue than the evocation of China in more general terms as an example of a successful development model for comparing to that of Tanzania. Nonetheless, Hasani, whom I introduced in the opening vignette, once shared a social media post with me which listed 16 “problems for CCM,” the ruling party, the last of which was there being “too many Chinese.”

However, there is a relative absence of popular anti-Chinese discourse in Tanzania, which is significant because of the history of anti-Indian discourse in the country. Tanzania’s largest businesses remain dominated by Tanzanians of Indian and Arab descent, and during the period of political liberalization, both Indians and foreign investors have been the target of popular discontent. The Chinese, until recently, have been less controversial. These perceptions are dependent not only on how Tanzanians compare them to other foreigners and racialized groups, but also how these groups are situated within the economy.

**Indian “Gods” and Chinese “Liberators”**

Tanzanian traders described the arrival of Chinese traders as a transformation. In the words of Daudi, a Chagga trader and one of the earliest Tanzanian shoe wholesalers, “When the Chinese first came, people thought they were liberators (wakombozi).” “Liberation” in this context meant delivering affordable shoes, clothing and household goods. To some, it also meant the end of an Indian monopoly associated with higher prices. In the words of a representative from a Chinese business association, “goods used to be expensive here because the Arab and Indian traders had a monopoly. People here used to wear poor-quality clothing. People used to be able to buy only one kitchen pan every three years, but now they can buy multiple pans.” “Liberation” might also apply to African traders themselves. They remembered a time, still relatively recent, when Indians dominated. “The Indians were like Gods,” Daudi explained. “Every shop here was owned by Indians … there was not a single shop owned by Africans,” but now, “[Indians] fear Africans who are very much on top (juu sana).” This was corroborated by an Indian-Tanzanian electronics wholesaler, who said, “we [Indians and Africans] are now the same.”

The phrase “we are now the same” evokes the history of the racialized division of labour described above. However, while Indian dominance had begun to wane

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53 Afrobarometer 2015.
54 Shangwe 2017, 80.
55 Liu 2018.
56 Shangwe 2017, 92.
57 Aminzade 2013.
58 Schroeder 2012.

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following economic liberalization, when they faced competition from the Chagga, I encountered suggestions it was “the Chinese” who broke the monopoly and opened the market to Africans. Chinese traders established dominance for several reasons. The first was the price of goods. Chinese traders not only benefited from China’s low production and labour costs, but also direct access to factories. Tanzanian traders predominantly attributed Chinese success to “fakes” – the ability to rapidly copy popular designs in the market at lower prices (and quality). The “Chinese,” one Tanzanian shoe wholesaler complained, had “destroyed originals.” Finally, the Chinese competed on price between themselves. This contrasted with the Indians, who were believed to set prices in collusion. A common Tanzanian story is that whenever an African goes searching for a good or service, an Indian shopkeeper will quickly inform other Indian shopkeepers. Chinese traders themselves bemoaned the relative lack of ethnic solidarity (tuanjie 团结) among the Chinese in competing rather than cooperating.

Tanzanians attributed these changes in the market to “the Chinese,” but it was sometimes unclear whether they were referring to Chinese traders or the general effect of Chinese imports. For example, an Indian-Tanzanian trader from Kisutu once told me he could not compete with “the Chinese” who did not pay import taxes. Following up later, he clarified he had meant African traders selling Chinese products.59

The waning of Indian dominance, however, cannot be entirely attributed to the Chinese. African traders themselves, particularly Chagga migrants, came to Kariakoo in the 1990s, and started competing with the Indians. In the words of the Indian-Tanzanian electronics wholesaler:

They would buy from us, and take it around Tanzania. They would make 200 to 300 per cent profit. They would buy something for ten thousand and they might sell it for a hundred thousand elsewhere. They used the money to buy property and rent stalls. They thought of a way. Now most of the stores here are all African. We are now the same.

Despite becoming “the same,” he suggested it was their difference, as Africans, which gave them an advantage:

We Indians are expensive. We rent expensive housing, we drive brand-name cars, we wear brand-name clothes, and we send our children to English-medium schools. Africans don’t pay as much for housing, they don’t have private transport, they take public transport, and they send their children to public schools.

Ironically, colonial white settlers used to make similar racialized arguments about why Europeans could not compete with Indians in trade.60 Nonetheless, comments like “we are now the same” and “Africans are very much on top” reflect displacement from presumed racial hierarchies. The significance of “the Chinese” derived not just from their contribution to the transformation, but also their participation in economic activities challenging the boundaries of “African” and “non-African” work.

59 Cf. Sylvanus (2013, 67) for similar associations of illicitness/illegalness with “the Chinese” in Togo.
60 Brennan 2012, 53.
African–Asian Affinities in Contrast: Chinese versus Indians

The entrance of the Chinese could change how Tanzanians thought about relations between Tanzanian Africans and Tanzanian Indians. To some, the Chinese reinforced the African–Indian divide. As one Tanzanian wholesaler claimed during an interview at a Tanzanian business association, “The Chinese and Tanzanians are very close, even more than others. The Chinese are easy to handle; their prices are low. They eat the food, they learn the language and they lend goods on credit (mali kauli). They are not proud like the Indians.”

To others, the Chinese reinforced the relative closeness of African–Indian ties. “The Indians taught us how to do business,” one Chagga shoe retailer explained.61 The Indians also had a multi-generational history in Tanzania, and the money they earned stayed local, unlike the Chinese newcomers, who remitted profits to China, and were also seen to lack the same social and religious sensibilities as the Indians.

A third line of judgement, however, placed Chinese and Indians into the same category, particularly when evaluating what Africans considered racism and endogamy. The ambiguities reflected in these judgements are not unique to the Chinese, but reflect older patterns of racialization that existed alongside a seemingly contradictory cosmopolitan ethos of trust that “routinely crossed ethnic boundaries.”62 The fact that Chinese and Indians were compared to each other in seemingly contradictory terms as being either closer or more distant reflects the structural resonances of their intermediary status.

The coming of the Chinese reveals the instability of these racial categories and how they were ranked in economic hierarchies. Structurally, the Chinese presence lowered the position of not only Indians, but also large African intermediaries, yet also opened the market for smaller African traders. These differentiated effects reveal the significance business hierarchies have played in defining the identities of both Africans and foreigners.

Becoming Machinga

Whereas Tanzanian wholesalers who began importing from China prior to the mid-2000s tend to criticize the presence of Chinese traders, those who started after this tend to be more welcoming. The distinction – resentment from those smaller number of traders with higher capital who previously controlled trade and a more welcoming attitude from informal traders with lower amounts of capital – echoes other African markets.63 What I would like to emphasize here, however, is less a functionalist interpretation of class interest, and more the subjective experience of a changing market. Trade hierarchies in Kariakoo have not

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61 As early as the colonial period, some African entrepreneurs regarded the Indians as models of capitalist behaviour for Africans to emulate (Chachage 2018, 109).
62 Brühwiler 2015, 226.
63 Lyons and Brown 2010; Sylvanus 2013; Lampert and Mohan 2014; Dankwah and Amoah 2019.
remained fixed. Since the 1980s, African traders have challenged the dominance of Indians. While one group perceived that their control of the trade in a good had been undermined by the Chinese coming directly to Africa, another group reflected that they had entered the market at precisely the right time to profit from purchasing directly from Chinese suppliers. In some shoe traders’ narratives, the entry of the Chinese was the beginning of a loss in profit and position. In other narratives, a shoe trader’s story of accumulation began with purchasing and reselling small quantities of goods from the Chinese.

The Chinese presence has affected Tanzanian shopkeepers in multiple ways. The first effect was to increase the costs of renting a shop frame. For example, a Tanzanian handbag retailer warned me about talking to landlords about the Chinese, telling me they would only say good things. Tanzanian traders blamed the Chinese for increasing the rates for renting shop frames. The amounts varied by section of the marketplace, but on Narung’ombe Street, the shoe market, the monthly rents had increased by 250 per cent since the Chinese arrived. Tanzanian traders who could no longer afford the rent were forced into more inexpensive, and more inaccessible, frames inside the trading complexes.

The increase in rent due to increased demand may sound like a straightforward economic story, but I heard divergent narratives about how it unfolded. The representative from the Kariakoo Chinese Chamber of Commerce described how Tanzanian landlords charged Chinese tenants more than Tanzanians because they thought the Chinese were wealthier. “You may have noticed,” he told me, that for people of “different skin colour, there are different prices.” He compared this to the “white price” in China being higher than the “Chinese price … It is like that anywhere in the world, but it is even more so here.”

The story Tanzanian tenants told, however, described Chinese traders making above-market offers for rent, and paying years in advance to landlords in order to drive the existing tenants out. The result is the same, but the two narratives describe the sequence of events differently, and in rendering the balance of power differently, tell two possible stories about Chinese traders, one emphasizing African responsibility and the other Chinese responsibility.

The second effect of the Chinese entry into Kariakoo was that Tanzanian wholesalers faced greater competition. For them, what was controversial was less the Chinese presence in Tanzania, and more their presence in Kariakoo specifically. Opening shops closed the spatial gap that separated Tanzanian traders from their Chinese suppliers. “The Chinese brought losses (wanaleta hasara),” explained a representative from a Tanzanian business association. “At first, they brought profits, but later there were losses.” By renting frames, the “storage price,” that is the wholesale price, became the retail “frame price.” Wholesalers lost their customers to the Chinese, or their margins were squeezed because customers could easily compare prices.

Older Tanzanian wholesalers described this as limiting both social and spatial mobility. Tanzanian traders’ aspirations involved moving up supply chains. Petty traders aimed to be shopkeepers, Kariakoo-based wholesalers aimed to go to
China. The presence of Chinese traders in Kariakoo facilitated opportunities for some, but limited them for others. “Tanzanians cannot rise with the Chinese,” claimed Daudi, “they block the opportunities of Tanzanians to develop their businesses. It keeps the Tanzanians as wamachinga.”

Daudi was one of the earliest traders to import shoes from China. He himself had started as a machinga. Originally based in the northern Tanzania city of Arusha, he first came to Dar es Salaam to purchase second-hand clothing wholesale. With the capital raised from this business, he began importing shoes directly from wholesalers in Dubai and Guangzhou. At one point, according to another Tanzanian shoe wholesaler at Kariakoo, “everybody bought from him.” When I met him, two of his children were attending college in the United Kingdom, he was renting land to a Chinese investor, and was enjoying a cup of Chinese tea during our conversation. Nonetheless, his was among the more critical voices I heard. Attributed by some to his being “angry” about losing his erstwhile importance in the market, Daudi framed his critique primarily in terms of the government failing to protect the livelihoods of ordinary Tanzanians.

Given the history of Tanzania’s racialized division of labour between “African” petty traders and “Indian” wholesalers, Daudi’s comment about Tanzanians being kept as wamachinga has significant resonance. Some Tanzanian wholesalers spoke as if this was what “the Chinese” wanted. The Chinese, according to a Tanzanian shoe wholesaler, did not want the Tanzanians to go to China. They wanted them to stay in Tanzania and buy from them there. This trader’s family used to purchase shoes in Dubai, but now purchased entirely from Kariakoo Chinese shops. “The Chinese don’t want us to grow,” he claimed.

Some Tanzanian traders argued that Chinese traders had advantages. The Chinese had direct relations to factories, and in some cases could order materials and do assembly in Tanzania. Tanzanians, however, depended on intermediaries and finished products. Factories gave Chinese goods on credit, but not Tanzanians, a presumed consequence of imagined ethnic solidarity.

In response to falling shoe prices, some Tanzanian wholesalers positioned themselves as providers of higher quality shoes. One of them, David, had been in business since 2003. He also purchased Chinese shoes, but purchased them from Dubai where the quality was supposedly higher. When I asked if falling prices would lead him to sell inexpensive shoes, he responded, “I would go upmarket before I went down market.” For David, like Daudi, what was lost was not just profit, but status.

“**They Do Business above Us**”: Entering the Trade Hierarchy

The Chinese presence blocked the growth of higher capital Tanzanian traders, but offered new opportunities to lower capital traders. The latter’s relatively favourable views of the Chinese were evident the first time I visited Narung’ombe Street. The shopkeepers lining the street were critical, but the shopkeepers renting small frames inside the trade complexes were less critical.
Unlike those who described the Chinese being “the same” in business, two Tanzanians (a SIM card vendor and a Tanzanian exchange student I met in China) claimed the Chinese did not pose a problem because they were “above us,” meaning the Chinese did not do the kinds of jobs ordinary Tanzanians did. Retailers outnumber wholesalers, and in Dar es Salaam alone, an estimated 15–20 per cent of the population does street trading. The Chinese did not compete with, but rather facilitated street trading by increasing the availability of goods. This even helped existing informal traders move into wholesaling and become shopkeepers. Chinese shoe wholesalers lent on credit, or *mali kauli* in Kiswahili. As one established Tanzanian trader complained, the Chinese had “*mali kauli* too much,” before adding, “I have to admit, they helped a lot of people, especially those with low capital.”

I met several Tanzanian traders who had developed close relationships with Chinese people as customers and/or employees, facilitating their own businesses. The relationships sometimes evolved into each other. For example, Issa, like Daudi, had first come from northern Tanzania to Kariakoo as a *machinga*. He began purchasing shoes from a wholesaler named Mr Shen, who later offered him a full-time job. Issa worked for Mr Shen for five years before opening his own shop. Mr Shen nonetheless remains his main supplier, and Issa continues to help Mr Shen manage customs clearance. They also travel to China together to purchase shoes.

A similar story is Rashid, a shoe wholesaler who described first coming to Kariakoo with only 20,000 Tanzanian shillings (US$10), which he used to purchase a carton of shoes. By 2015, he had around one hundred cartons that he kept in storage. He did not own a shop, but like other *machinga*, spent the day on the street, keeping a pile of cartons next to him and using his phone to arrange sales and pickups, while also watching what customers were wearing and buying. At night, he would store these boxes in a nearby Fujianese-owned shop. He often helped the shop owners manage problems with government officials, in addition to providing market intelligence.

Rashid measured his wealth in cartons. His dream was to go to China, but he told me he would first need one thousand cartons. Rashid was less wealthy than Issa, but wealthier than other *machinga* who retailed shoes on a day-to-day basis. If the goal of many *machinga* was to open their own shop and go to China, those with less capital looked first to Chinese suppliers in Kariakoo.

Trading offered the promise of capital accumulation to small Tanzanian retailers, and mobility meant getting closer to Chinese suppliers. A larger number of informal retailers, however, depended on trading as a livelihood for simply getting by day to day. Several Chinese-owned shops, specializing in very cheap shoes, attracted crowds of young retailers every morning. To purchase wholesale, the *wamachinga* pooled their money together. The scene each morning resembled

64 Steiler 2018.
an auction, with individual traders holding up samples and calling out the number of pairs remaining in the pool. Once a carton was purchased, they would divide the shoes among themselves. For retail variety, *machinga* would often buy into several cartons. These traders would then fan out to locations around Kariakoo and the larger city. A few went no further than the curb outside the wholesale shop.

Economists have argued that such informal retailing is insufficient for capital accumulation.65 As livelihoods that nonetheless make it possible for some to “get by,” however, the trade might be an example of what Ferguson calls the “labour of distribution.”66 Ferguson points out that economic life in many African cities involves individuals “excluded from any significant role in the system of production, often [to] be found engaged in tasks whose fundamental purpose is not to produce goods at all but to engineer distributions of goods produced elsewhere by accessing or making claims on the resources of others.”67 Petty trading from this perspective is but one “contingent livelihood” drawing on a limited resource. In this context, who has the right to this market is controversial.

“Let Them Eat”: The Moral Mapping of the Trade Order

During a 2015 public forum on Tanzania–China relations that I attended, a former Tanzanian ambassador to China, praising Chinese investment, made one exception: “China practises non-interference. It will never interfere – well, maybe the Chinese petty traders interfere with the *machinga*, but that’s not [at the] state level.” A 2013 news article also described the Chinese in Kariakoo as “hawkers” that were turning the district into “Chinatown” with the sale of “counterfeits,” predicting that “the lack of mechanisms to cushion small and medium enterprises from impending foreign competition is likely to push local traders out of the market.”68

While I never encountered a genuine Chinese *machinga* during my fieldwork, the Tanzanian habit of referring to Chinese traders in this way nonetheless reflected the idea that Chinese migrants were involved in sectors of the economy that “belonged” to Tanzanians. It was perceived that Chinese operated “below” those sectors and jobs implied to be appropriate for foreigners. Opposition to the Chinese presence was rarely articulated in absolute terms, but rather limited to specific sectors; and even in these cases responsibility for managing the situation was attributed to the state.69

The Tanzanian government’s policy, however, is ambiguous. There are no formal regulations prohibiting foreign nationals from engaging in trade, including retail, although according to the Tanzania Investment Act of 1997, it is suggested

65 Lyons and Brown 2010.
66 Ferguson 2015.
67 Ibid., 90.
68 Makoye 2013.
69 Cf. Lampert and Mohan 2014.
that foreign nationals require a minimum starting capital of US$300,000. Nonetheless, there is some confusion in the public discourse over both the numbers and the policy. In early 2011, the Minister of Industry, Commerce, and Marketing even announced that Chinese traders would need to leave Kariakoo within 30 days, stating that the “Chinese, who are in the country in the pretext [sic] of being investors are not supposed to operate as petty traders as they were [sic] currently doing.”70 The announced raid generated a small panic among the Chinese, leading to an intervention by the Chinese embassy, and the establishment of the Chinese Kariakoo Chamber of Commerce in 2012.71 The raid never happened, and according to at least one person familiar with the events, the minister was removed. From the perspective of Tanzanians in Kariakoo, the suspicion was that the Chinese government intervened in the name of preserving “Sino-Tanzanian friendship.” In the words of a representative from a Tanzanian business association:

The Chinese had friendship before with Mwalimu [President Julius Nyerere], but now they are taking advantage of that friendship to exploit Tanzanians. There is no difference now between the Chinese and Tanzanians in doing business.

Several Tanzanians even described the presence of Chinese traders as a legacy of that era’s egalitarianism. One older Kariakoo landlord claimed that the Tanzanian government could not remove the Chinese because during the construction of the Tanzania–Zambia Railway they had signed an agreement that the Chinese would be “treated as Tanzanians.”72 To others, the presence of Chinese traders reflected a distinctive Tanzanian hospitality. One visiting Kenyan trader I met while he was in Tanzania on business remarked hyperbolically that if Chinese businesses opened shops in Nairobi like they did in Tanzania, people would “cut their heads off.”

The larger context of these questions is whether Chinese traders had a legitimate right to the market. Opposition to the Chinese presence among some Tanzanians was rarely absolute, but proscribed, reflecting a duelling ethos of both hospitality and a division of labour. The debate paralleled that concerning the wamachinga, the group that benefited most from the Chinese. Since economic liberalization, and even earlier, the wamachinga have struggled with successive governments for the right to do their business on the streets of Kariakoo.

Traders in Kariakoo generally respect the right of other traders to do business, and some “informal traders” have had their known spots for decades.73 During my fieldwork, I never personally saw fights over space, although there was sometimes disputes between shopkeepers and wamachinga over street access. Once, I saw a Chinese shopkeeper complaining to a machinga blocking his space. The machinga rebuffed him simply by saying “there is room!” Chinese migrants

70 Masare 2011.
71 Liu 2018.
72 One Tanzanian official even suggested that the Chinese in Kariakoo were descendants of Tanzania–Zambia railway workers, saying “they are Chinese, but of course they are Tanzanian.”
73 Racaud, Kago and Owuor 2018.
themselves sometimes commented that Tanzanians were much more tolerant of competitors than the Chinese were.

The language of “we are now the same,” “they are above us” and “there is no difference” suggests there exists an assumption about natural or ideal trade orders. From the perspective of Tanzanian shopkeepers, these are spatial questions. For example, the representative from the local Tanzanian business association described the presence of both Chinese wholesalers and Tanzanian wamachinga in Kariakoo as a problem for their association. Shopkeepers considered the wamachinga competition because they did not own shops and did not pay taxes. He added, however, that he was not opposed to wamachinga doing business, but believed that they should be relocated to a designated location.

I heard similar suggestions about where to put the Chinese. For example, some were not opposed to Chinese traders owning warehouses, but only to them opening shops. From these accounts, one might envision an idealized trade order where Chinese wholesalers outside of Kariakoo sold to Tanzanian shopkeepers who in turn sold to wamachinga who sold their goods outside of Kariakoo.

The wamachinga have resisted multiple attempts to relocate them, arguing instead for their right to be where their customers are. An attempt to expel them in 1993 even sparked a riot during which wamachinga attacked Indian-owned shops. During my fieldwork, there were periodic raids against the wamachinga, but after a short period of time, they would eventually come back and continue to ply their wares. These traders assert a right to do business and they also tolerate the right of other people to business.

Within the Chinese community, there are different opinions regarding trade. Chinese traders consider themselves to play a crucial role in the local supply chain. Recalling the aborted 2011 raid, the representative from the Kariakoo Chinese Chamber of Commerce explained, “If you kick everyone out, how are you going to eat. The office where the official worked, everything there was also made in China ... It’s like if you have a car and you kick out the driver, who is going to drive the car?”

As some Chinese traders imagine it, the distinction between wholesaling and retailing is about leaving space for locals. As one Chinese shoe wholesaler put it, “If the Chinese sold retail, the local people would have nothing to eat!” Rather than rejecting retailing as less profitable, he implied that the Chinese could, if they wanted, engage in retail in a manner which would drive locals out of the market. For Tanzanian wholesalers, however, being restricted to the retail market, or even being turned into wamachinga, was itself unacceptable. From their perspective, both retailing and wholesaling should belong to the Tanzanians.

The assumption that particular forms of work are associated with Tanzanians, however, reproduces the history of a racialized division of labour. Some Chinese
reproduce these assumptions, but others challenge them. The Chinese who come to Kariakoo have varied levels of experience with Tanzania, or even with the structure of Africa–China trade. This meant that I would sometimes meet Chinese traders in Kariakoo who, based on their own specific trade, demonstrated a limited awareness of the diverse supply chain positions Tanzanians occupied. For example, one young Chinese garlic wholesaler claimed that “black people don’t know how to import.” Others with more experience in Guangzhou or Yiwu had a greater appreciation for the competition posed by Africans. One man, a Chinese mineral exporter from Guangzhou, described African traders in Guangzhou as better than other Chinese at finding good factory prices. In Tanzania, furthermore, their closer access to customers gave them a competitive advantage over the Chinese. The entry of Tanzanians into wholesale trade, in addition to the saturation of Chinese wholesalers, has led to the emergence of the Chinese becoming replaced as key nodes in the trade.

Since 2013, these traders have continuously predicted the demise of the Chinese presence in Kariakoo. This was cheered by some Chinese migrants who considered trade to be something “Tanzanians could do.” I argue that such references to proper trade order among not just Tanzanians, but also Chinese, invoke a moral mapping of the economy wherein particular forms of livelihood are considered the rightful property of particular individuals and groups.

Conclusion

The inclusion or exclusion of Chinese migrant traders in Kariakoo turns on longer histories of changing global trade. If Chinese traders signify, even for older Tanzanian diplomats fond of China, “interference,” then the boundaries in question are less political boundaries and more perceived racial/national boundaries in the division of labour. Chinese traders challenged these boundaries in some areas, while also reinforcing them in others. The varied perceptions of “the Chinese” in Kariakoo reflect how global capitalism is often experienced in contingently racialized ways. Debates over appropriate jobs for Tanzanians and Chinese, however, are also debates over the allocation of limited roles in an unequal division of labour. Controversies about “the Chinese” in the developing world may be less a commentary, as imagined in the West, about China qua China, but rather about what South–South linkages mean for the distribution of wealth and opportunities.

The scholarly evaluation of the role of trade in Africa–China relations has been ambivalent. On the one hand, even when acknowledging the expanded opportunities for African traders, critical scholars have considered the sector to be ultimately “counter-developmental.” On the other hand, scholars have celebrated Chinese commodities and traders in Africa as both raising the living standards

75 Lyons, Brown and Li 2013.
of consumers and democratizing the trade sector. The debate is shadowed by the larger question of whether Chinese capital might help industrialize Africa, and thereby provide Africans with the same manufacturing jobs once available to the Chinese. If one believes that this is happening, then the story I tell about Kariakoo is a transitional moment. However, if one believes that, due to either ecological or technological constraints, such industrial futures are no longer possible, then the story I tell is about how Chinese commodities sustain livelihoods at the margins. The future is pending.

In either case, benefits and harms are often unevenly distributed. Like other studies, I have shown how local evaluations of “the Chinese” often depend on class interests. What my study contributes is how the distribution of opportunities are conceptualized. The debate over the Chinese presence in Kariakoo provides a glimpse of a situation where there is both hospitality towards the right of traders to participate in the market and a politics of position in market hierarchies. The ways such hierarchies can be both racialized and also partake of moral mappings about which roles belong to whom may provide a lens for thinking about the division of labour in Africa–China relations more broadly.

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Biographical note
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Conflicts of interest
None.

76 Zi 2015; Mathews 2015.

的争议并不跟「中国」有那么相关，反而是阶层性的劳动分工中谁的角色属于谁的政治。

关键字: 移民; 贸易; 种族化; 道德经济; 中国-非洲关系; 坦桑尼亚

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