

Resources and Economic Activities

A resource is an item we can use to make our life better. Resources may include air, wind, heat from the sun, land, soil, trees and animals. When we use any of these resources to earn income, then that process of making money becomes an economic activity.

AGRICULTURE

The keeping of livestock or the growing of crops is known as agriculture or farming. In this class, we shall learn the growing of some cash crops in Kenya and compare them with those grown in the other Eastern African countries. We shall also learn about livestock farming in Kenya and other countries in the region.

Cash Crop Farming in Eastern Africa

(a) Coffee Growing

Conditions Favouring Coffee Growing

- Coffee grows well in deep, fertile, well-drained volcanic soils.
- It requires high and reliable rainfall, between 1,000–1,800 mm in a year.
- It does well in altitudes of between 1,000 – 2,000 m.
- It means average temperatures of between 20°–25°C.

Arabica and robusta are the main types of coffee grown in the region. Arabica which is smaller, is grown in many parts of Eastern Africa. It has large beans with little content of caffeine. It is mainly grown in the highlands. Robusta is bigger, producing small beans with high caffeine content. Its cultivation is confined to a few areas in the low-lying regions.

Coffee Growing in Kenya

The Christian missionaries in Taita-Taveta introduced coffee in Kenya, more than 100 years ago. White settlers in the highlands later grew it. A few African farmers were allowed to grow coffee in the 1950s. Coffee is mainly grown by small-scale farmers in Kisii, Meru, Machakos, Embu, Kirinyaga, Nyeri, Murang'a, Bungoma and Taita-Taveta districts. It is grown on large-scale farms in Kiambu, Thika, Maragua and Machakos districts.

The small-scale farmers sell their crop through the cooperatives, which carry out the first stage of processing. Arabica coffee is grown in the highlands, while robusta coffee is grown mainly in Bondo, Siaya and Busia districts, on small scale.

Contribution of Coffee to the economy of Kenya

- Coffee is mainly grown for sale. Most of the processed coffee is exported to UK, USA, Middle East, Germany, France, Japan and Canada. It is the third leading export crop of Kenya, after horticulture and tea, earning the country a lot of foreign exchange. Areas in the coffee-growing zone have well developed roads.
- When the earnings from coffee were good, there was an improved standard of living in the coffee growing areas. Many people are employed in the coffee estates.



Fig. 4.1: A coffee plantation



Activity 4.1

Open your atlas and study a map of Kenya and locate the coffee growing districts.

Coffee Growing in Ethiopia

Ethiopia grows only the Arabica variety. It is believed that coffee originally grew wild in Ethiopia, before it was introduced in the other countries. It is mainly grown in the southwestern and eastern highlands. It is grown mainly on small scale. It is grown for sale and most of the crop is exported, accounting for more than 62% of the country's export earnings.

(b) Maize Growing

Maize, which has become the main food in many parts of the region, is grown in many areas of Eastern Africa. The Portuguese introduced it into the region more than 500 years ago.



Fig. 4.2: A maize farm

Conditions Favouring the Growing of Maize

Maize requires as little as 400 mm of rain annually, with warm temperatures and fertile soils to grow. It can be grown using very simple tools or by the use of machines. It can be harvested and eaten while green or when dry and ground to produce flour.

Maize Growing in Kenya

It is the main food crop for the majority of Kenyans. It is grown in many parts of the country, mainly for subsistence. Large maize farms are found in Trans Nzoia, Bungoma, Lugari, Narok and Uasin Gishu districts, where it is grown mainly for sale. Kenya can produce enough maize for the population but the low payments given to the farmers discourages production especially by the large-scale farmers. Cheap imports of maize have been forcing the prices of maize to go down, thereby reducing production by local farmers. Production has also been affected by drought.

Contribution of Maize to the Economy of Kenya

- The government has developed a maize variety known as **katumani**, which takes three to four months to mature. Katumani is mainly grown in the drier districts. This helps make the drier districts more productive and ensures they have enough food.
- During years with good rainfall, the country produces enough maize, the surplus of which it exports to earn the country **foreign exchange**. The government through the National Cereals and Produce Board, buys the surplus maize from farmers and stocks it, to sell it to people during times of need. This helps to maintain the supply of maize, which is the main food in Kenya.

Maize Growing in Tanzania

Maize, which is slowly becoming the main food in Tanzania, is grown both on large and small scale. Large-scale farms are found in Mt. Kilimanjaro region in Moshi and Arusha; and Tanga region in Kilosa and Handeni. The main small-scale growing areas are in Morogoro, Iringa, Songea, Lushoto, Pare, Mara, Bukoba and Rungwe.

For a long time, Tanzania used to produce enough maize for its population, but there has been drought each year that has been affecting production. Poor roads and poor storage facilities have also hindered production.

The increasing population and the fact that more people are now growing maize as their main food, has encouraged the government to get better maize producing varieties. The use of manure has also helped to increase production.

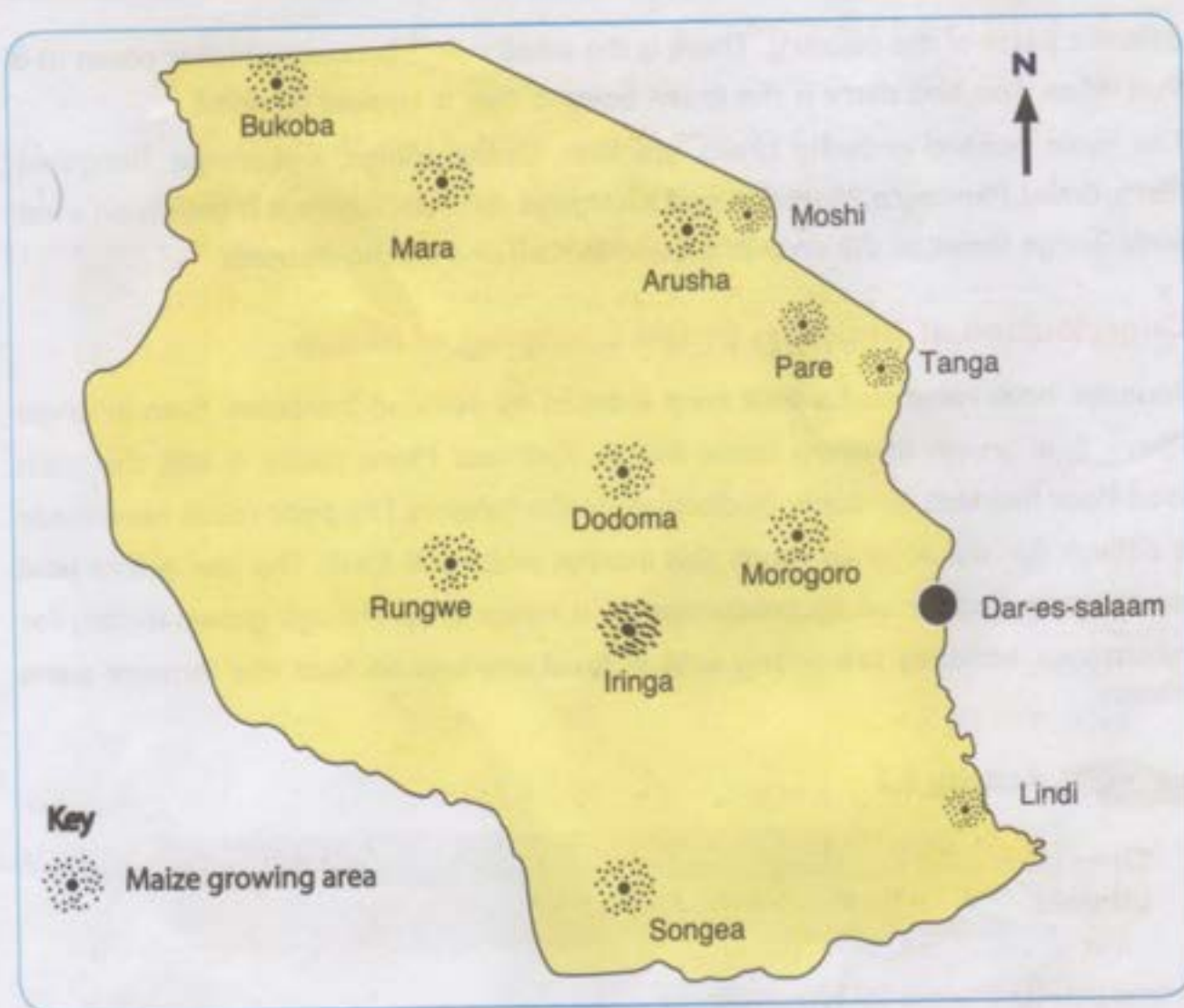


Fig. 4.3: The maize growing areas in Tanzania

(c) Banana Growing

Conditions Favouring the Growing of Banana

Banana requires **deep, fertile** and **well-drained** soils. **Moderate** rainfall of between **900 – 1,500 mm**, **well distributed** throughout the year that is with **warm temperatures** of about **20°C**, enable the crop to produce continuously throughout the year. Between one plant and the other, there are large spaces which allow intercropping with coffee, maize, beans and fruit crops. There are different varieties of the crop grown in different parts of Eastern Africa.

Banana Growing in Kenya

Originally, bananas were grown in the homestead as a **fruit crop**. The demand for bananas in the towns has led to an increase in production and in some areas, it is grown for sale. Different varieties of bananas are grown for different uses in

different parts of the country. There is the small sweet banana, which is eaten as a fruit when ripe, and there is the green banana that is cooked for food.

The main banana growing areas are Kisii, Gucha, Vihiga, Kakamega, Bungoma, Meru, Embu, Murang'a, Maragua and Kirinyaga districts, where it is grown on small scale. Large farms of the crop are found in Kisii and Gucha districts.

Contribution of Bananas to the Economy of Kenya

Bananas have remained a fruit crop even as its demand increases. Even in areas where it is grown in every home like in Kisii and Meru, maize is still the main food. Poor markets for bananas discourage the farmers. The poor roads have made it difficult for the crop to reach the market while still fresh. The low prices paid for the crop discourage its production as a major crop. Though grown mainly for subsistence, bananas are widely sold in local markets to earn the farmers some income.



Activity 4.2

Open your atlas and study a map of Kenya and locate the districts that grow bananas.

Banana Growing in Uganda

Banana is the main food among majority of the Ugandans, especially among the Baganda and Basoga, who grow it around their homesteads. It is mainly grown along the shores of Lake Victoria, slopes of Mt. Elgon, Kigezi hills and slopes of Rwenzori. There are several varieties of the crop, but the most popular is the green plantain, the matoke, which is widely grown in Uganda.

Contribution to the Economy of Uganda

Uganda exports bananas to western parts of Kenya, becoming a major trade item in the area. It is easily carried on bicycles and trucks to the local markets. Bananas are sold in local markets, earning the farmers income.



Fig. 4.4: A banana farm

(d) Sisal Growing

Conditions Favouring the growing of Sisal

Sisal is a hard fibre from which strings are made for the making of ropes, bags and mats. It was introduced into East Africa from Mexico. Tanzania and Kenya now account for nearly half of the world's production of sisal. Sisal, unlike other crops, can do well in a variety of climatic conditions. It can grow on **any type of soil** mainly in **low-lying** areas whose altitude ranges between **sea level and 1,800 m**. It requires ample rainfall of less than **750 mm**. It can withstand long periods of drought, with average temperatures **of 28°C**.



Fig. 4.5: A sisal farm

Sisal Growing in Kenya

The white settlers introduced sisal growing in Kenya. They first planted it in the low rainfall areas of Taita Taveta and Kilifi, where the other crops could not survive. Later, other sisal estates were set up in Makuyu in Maragua, Mogotio in Koibatek, Juja in Thika and Ziwa in Uasin Gishu districts. Sisal was mainly grown in large plantations, since its returns are low when grown on small farms. The African farmers grew sisal, but as hedges and boundary marks, to supply them with fibre to make domestic items.

Sisal has been facing competition from nylon, thereby fetching little money in the world market.

The reduced demand for the crop has greatly reduced land under its cultivation. Sisal is no longer a major crop in Makuyu, Ziwa and Juja, as these areas have been taken up for human settlement and cultivation of other crops. The main estates growing and processing sisal are at Vipingo in Kilifi and Voi in Taita -Taveta.

Contribution of Sisal to the economy of Kenya

These estates employ hundreds of people which helps to raise their standard of living. The products from sisal processing are sold locally and some are exported to earn the country foreign exchange. Roads have been constructed thereby improving accessibility in the areas. The sisal estates have put up schools and health centres for their workers.

Sisal growing in Tanzania

Tanzania is the leading producer of sisal in the world. Sisal was first grown in the plains of Tanga region extending about 200km inland from the coast up to Korogwe. The entire region receives little and unreliable rainfall which cannot support the growing of other crops.

Later, the growing of sisal was extended inland but in the lowlands along the railway line. Areas along the railway lines were chosen because the harvested crop is heavy. From Korogwe, sisal estates were established in the lowlands at the foot of Usambara and Pare mountains. These later spread to Moshi and Arusha regions. The other areas where sisal estates were set up were in Morogoro and Kilosa. Far south, sisal estates were also established in Lindi.

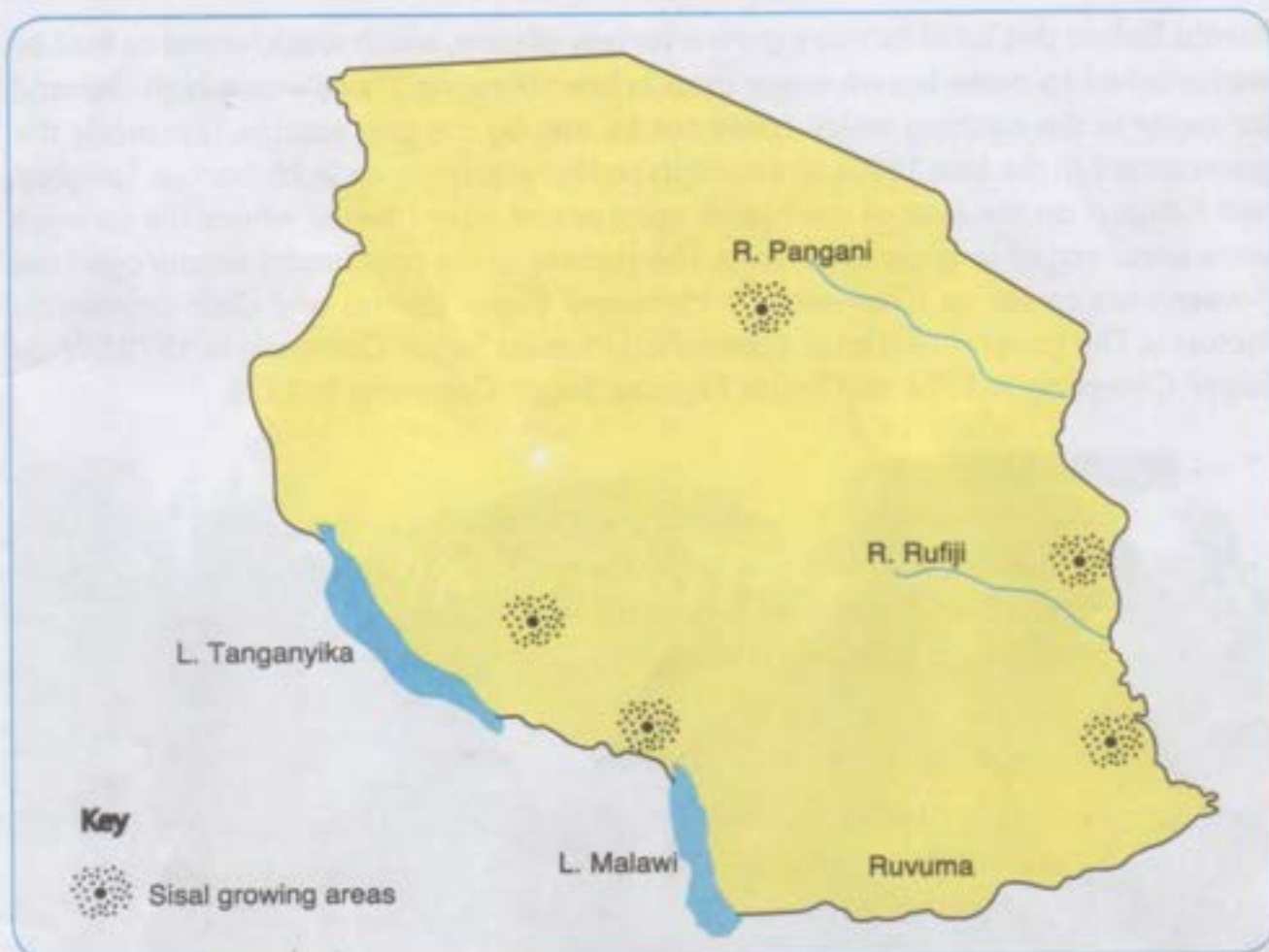


Fig. 4.6: The sisal growing areas in Tanzania

Contribution of Sisal to the Economy of Tanzania

Unlike in Kenya, sisal continues to play a **major role in the exports** of Tanzania, bringing into the country a lot of foreign exchange. The sisal estates **employ** thousands of people in the cutting and processing of the crop thereby raising their standard of living. The sisal products like ropes, strings and bags are **sold locally** to meet the demand for the products and also to earn income for the people.

(e) Suga cane Growing

Conditions Favouring the growing of Sugarcane

Sugarcane requires **deep** and **fertile clay** and **loamy soils**. It needs ample rainfall of at least **1,250 mm** per annum. It does well in the **lowlands** where the temperatures are high, between **21°C and 27°C**.

Sugarcane Growing in Kenya

The Indians, who after completing building the Kenya-Uganda Railway were allowed to settle in Kenya as farmers, introduced sugarcane growing for the production of white sugar. They established large estates in Miwani near Kisumu and Ramisi in

Kwale. Before this, local farmers grew a variety of cane, which was chewed as fruit or was crushed to make brown sugar used in beer brewing. There was a high demand for sugar in the country which could not be met by the two estates. This made the government in the late 1960s to establish settlement schemes in Muhoroni, Songhor, and Kibigori on the foot of the Nandi escarpment near Miwani where the farmers were encouraged to grow sugarcane. The success of the production encouraged the government to set up Chemelil and Muhoroni Sugar Estates and their processing factories. The government later established Mumias Sugar Company in 1970, Nzoia Sugar Company in 1974 and South Nyanza Sugar Company in 1976.



Fig. 4.7: Sugarcane farm

The sugar companies established their own sugarcane farms known as **nucleus estates**. The farmers nearby were asked to grow sugarcane as **out-growers**, so as to supply cane to the factories. The out-growers enable the factories to have enough cane to process throughout the year without having to rely on the cane from the estates. The farmers are provided with most of the farm inputs such as fertilisers, seeds and sprays, which are deducted from their earnings after delivery of their cane to the factory.

The main sugarcane growing areas are Kisumu, Nyando, Migori, Kakamega, Bungoma and Butere-Mumias districts. The government is making arrangements to build a sugar factory in Busia to process the cane that is being planted by many farmers in the area. The government is also planning to grow sugarcane along the lower River Tana.

Kenya produces enough sugar for both local use and export. However, importation of cheap sugar has been discouraging production. The sugar imports make the farmers earn less for the cane delivered to the factory. Mature cane belonging to the farmers takes long to be harvested as the factories are unable to sell the sugar in the stores. Some of the sugar companies have in the past been poorly managed resulting in farmers not being paid in time and some of the factories closing down. Ramisi in Kwale closed down and sugar cane is no longer being grown in the area. Miwani and Nzoia companies owe farmers hundreds of millions of shillings, which they have not paid for several years.

Contribution of Sugarcane Growing to the Economy of Kenya

The sugarcane growing in the sugar belt has raised the standard of living of the out-grower farmers as the farmers receive payments for their cane. There is an improved road network in the Sugar growing areas to allow easy transport of the cane to the factories. If the sugar imports were discouraged more sugar would be produced for local use and export to earn the country foreign exchange.



Activity 4.3

Draw a map of Kenya and show the sugarcane growing regions.

Sugarcane Growing in Sudan

Sugar cane growing in the Sudan is carried out at **Kenana**, in the centre of the country. The sugar cane is grown in the Kenana plains covering an area of 100,000 hectares, making it the largest sugar producing estate in the world.

Sugarcane is grown and processed by the **Kenana Sugar Company**. The cane is grown in estates owned by the company. Unlike sugar growing in Kenya, that of Sudan is not grown by small scale farmers to supply their cane to the factory. The first crop was harvested in 1980, and production has been increasing each year, with more land being put under sugarcane growing. The estates are large, making it necessary to use machines to prepare the farms. Human labour is used to plant and harvest the cane. The cane is sprayed against pests and diseases. Harvesting of the cane is carefully done to minimise wastage of cane.

Contribution of Sugarcane to the Economy of Sudan

Sugarcane growing has contributed to the economy of Sudan in the following ways:

- Some of the sugar is sold in the country **earning the government income**.

- The production of sugar has made Sudan **self-reliant** in sugar, thereby saving on sugar imports.
- The growing of sugarcane has **created employment opportunities** to thousands of Sudanese working in the fields and factories, thereby raising their standard of living.
- The company has **built schools and hospitals** for its workers, which has improved their welfare.
- **Roads, railways and communication lines have been improved** in the sugarcane growing areas making large parts of central Sudan accessible.
- Sugar is one of the **leading exports of Sudan**. The sugar produced in Sudan is exported to different parts of the world including Europe, Asia and Africa, earning the country a lot of foreign exchange. Kenana sugar is sold in Kenyan shops due to the **COMESA** free trade area terms.

(f) Beef Farming in Kenya and Tanzania

Beef farming is an activity where farmers keep cattle to be sold for meat. Beef farming is usually done on large scale, where many animals are kept on large farms. Beef farming is making better use of the dry lands, which cannot be used for the growing of crops.

Beef Farming in Kenya

This is the keeping of animals to be sold off for slaughter. Beef farming is carried out by traditional pastoralists and in the ranches. Traditional pastoralists are found in the drier districts. The pastoralists mainly keep the animals as a sign of wealth and for social prestige, but in some cases, they sell them off during drought to slaughter houses in the major towns.

The traditional pastoralists keep mainly the zebu and borana animals. The pastoralists occupy a large area of the country but only a few of them keep animals purposely to sell. This is because the low price offered for the animals discourages them. They have to walk the animals for long distances to the markets, with some of the animals dying on the way.

Commercial farmers keep beef animals in ranches. A ranch is a large farm where only animals are kept. The ranch is divided into paddocks to control the grazing of the animals. Large-scale ranches are found in Machakos, Kajiado, Nakuru, Laikipia, Kilifi, Kwale, Taita- Taveta, Meru Central, Nyeri, Maragua and Uasin Gishu districts.

The farmers mainly keep bulls and borana animals, which fatten fast. Water, feeds and veterinary services are provided in the farms. Most of the farms are located near major transport networks making it easier to transport the animals to the market.

Contribution of Beef Farming to the Economy of Kenya

- The farmers sell their animals to the large hotels and education institutions in the country, **earning them income**.
- Some farmers also export live or slaughtered animals to the Arab countries, earning the country a lot of **foreign exchange**.
- The keeping of animals in the ranches has made **good use of the lands**, which would have been otherwise less productive.
- It has **created employment opportunities** to people as herdsmen and in the slaughter houses.
- The government has **built roads** in the beef farming areas which has helped to develop them.
- Beef farming has enabled the country to have **adequate supply of meat**.



Fig. 4.8: Beef animals in a ranch



Activity 4.4

Open your atlas and study the map of Kenya. Locate the areas where beef ranching is carried out.

Beef Farming in Tanzania

Cattle for beef are kept by the Wasukuma, Wahehe, Wazaramo and Wagogo. These communities are found in northern and central Tanzania in Shinyanga, Mwanza, Dodoma, Iringa, Singida, Mpwapwa and Morogoro. The dry conditions experienced in these areas, do not favour crop farming. The high temperatures make the areas free from many animal diseases.

There are cattle ranches established by the government in Kilosa, Mpwapwa, Morogoro and Kongwa. In the ranches, animals are fed, treated and provided with water.

The animals are slaughtered and sold in the major towns, earning the farmers income. Beef is exported, earning the country a lot of foreign exchange. Roads have been developed in the beef farming areas, thereby making them accessible. Beef farming has enabled Tanzania to meet her beef needs.

Problems facing Beef Farming in Kenya and Tanzania

- The animals are attacked by pests which spread diseases such as rinderpest. The diseases kill the animals or weaken them, thus they fetch little money in the markets. The death of the animals makes the farmers to lose a lot of money
- Animals in the ranches are affected during dry months, when there is little pasture and water. The farmers spend a lot of money on animal feeds and supplying water to the farms.
- There are few markets for beef products making the farmers earn little for their animals. The markets are also far away from the farmers which discourages them.
- The prices offered for the animals are low, making few farmers to be involved in beef farming.
- There are poor roads in the beef farming areas which make it difficult for the farmers to take their animals to the markets.
- Cattle rustling, which is a traditional culture of stealing livestock, affects beef farming. Farmers get losses whenever their animals are stolen.

WORK FOR YOU TO DO

1. Explain the meaning of:
 - (i) a resource.
 - (ii) an economic activity.
2. The two types of coffee grown in Eastern Africa are _____ and _____.

3. The following areas grow coffee. In which one of them is coffee grown on large scale?
A. Thika B. Murang'a C. Embu D. Bungoma
4. In which one of the following rainfall amounts does coffee do well?
A. 400 – 800 mm B. 1,000 – 1,800 mm
C. 500 – 750 mm D. 1,000 – 1,250 mm
5. Three of the following districts have maize grown on large scale, which one does not?
A. Bungoma B. Narok C. Lugari D. Nakuru
6. Explain the reasons why maize growing is becoming important in Tanzania.
7. Why is banana growing not a major food crop in Kenya?
8. The type of banana grown in Uganda is called _____.
9. The main sisal growing areas in Kenya are _____ and _____.
10. Why was sisal growing done along the railway lines?
11. Name five areas in Kenya where sugar cane is grown.
12. How does sugar cane growing in Kenya differ with that of Sudan?
13. Write down three problems facing sugar cane growing in Kenya.
14. What is beef farming?
15. In which one of the following districts is beef farming not carried out?
A. Machakos B. Nakuru C. Kiambu D. Laikipia
16. Give two problems facing beef farming in Kenya?
17. What is the contribution of beef farming to the economy of Tanzania?

FISHING

Inland Fishing Areas in Kenya, Uganda and Tanzania

Inland fishing takes place in the freshwater **lakes, dams** and **rivers** of East Africa. The main fish caught are **tilapia, Nile perch** and **dagaa**. **Mudfish** and **salmon** are caught in dams and rivers. The fishermen use simple tools such as nets and hooks to catch fish on boats and canoes on the lakes. On the shores of lakes and along the river banks, the fishermen use **hooks, traps** and **baskets** to catch fish. The fish caught in the lakes and dams is a lot and is sold in the local markets. The catch from the

rivers is small, so it is consumed at home. The main inland fishing areas are shown in Figure 4.9 below:

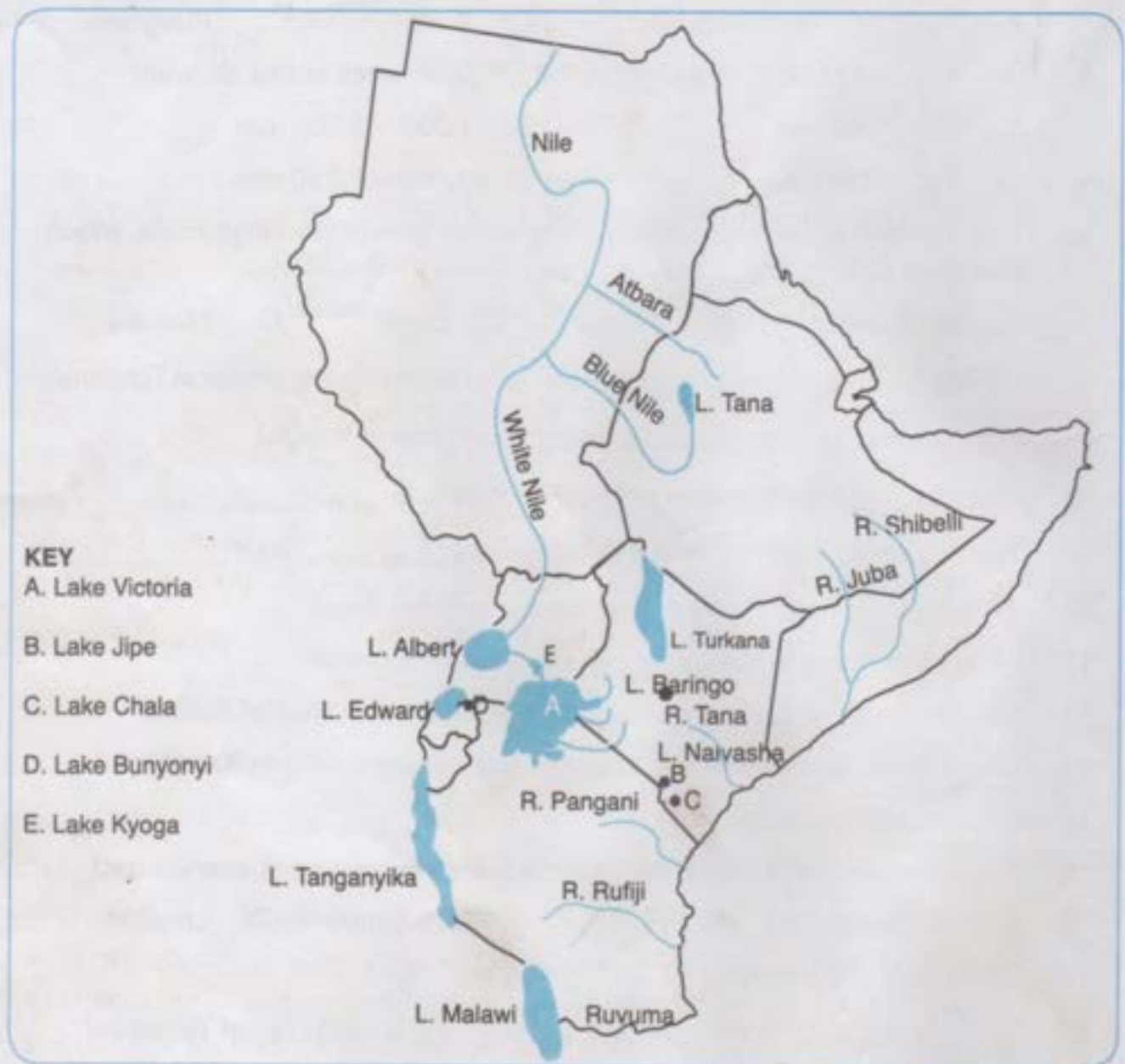


Fig. 4.9: Inland fishing areas

Inland Fishing Areas

(a) Kenya

- Lakes – Victoria, Baringo, Naivasha, Turkana, Jipe, Chala, Masinga and Kanyaboli.
- Dams – Aruba.
- Rivers – Tana, Nzoia, Sondu-Miriu, Migori, Yala, Kuja, Nyando.

(b) Uganda

- Lakes – Victoria, Kyoga, Albert, Edward, George, Bunyonyi, Katwe, Bissina, Kachira, Nakivali.
- Rivers – Nile, Katonga, Sio, Mbale, Kagera.

(c) Tanzania

- Lakes – Victoria, Tanganyika, Malawi, Rukwa.
- Rivers – Mara, Malagarasi, Pangani, Ruvu, Ruaha, Ruvuma, Wami, Rufiji, Kagera, Rungwa.

Fishing is also taking place in **ponds**. Some farmers have dug ponds in their farms and stock particular types of fish such as **tilapia** and **trout**. The fish ponds are usually dug near a river from where fresh water is let into the pond. The fish are fed by the farmer and fishing is carefully done, catching only the amount of fish required. Most of the fish from the ponds is consumed in the family.

On the lakes, there are fishing villages where the fish caught is landed, preserved and sold. Some of the fishing villages later developed to become ports.

Sea Fishing Grounds in Kenya and Tanzania

Sea fishing takes place in the **Indian Ocean**. It is also known as **marine fishing**. Marine fishing takes place in Kenya and Tanzania because they are the only East African countries that border with the Indian Ocean see figure 4.10 below. The fishermen, who catch fish for home use and local sale, use simple boats and nets and travel near the shores of the ocean. The catch is usually small. The commercial fishermen use large fishing boats and ships, traveling far into the ocean. The catch is usually large. They use refrigerators to preserve the fish.

Types of Fish Caught

The main types of fish caught in the ocean include:

- Tuna
- Kingfish
- Sail fish
- Mullet
- Shellfish
- Parrot fish

Among the shellfish, the catch include crabs, oysters, prawns and lobsters.

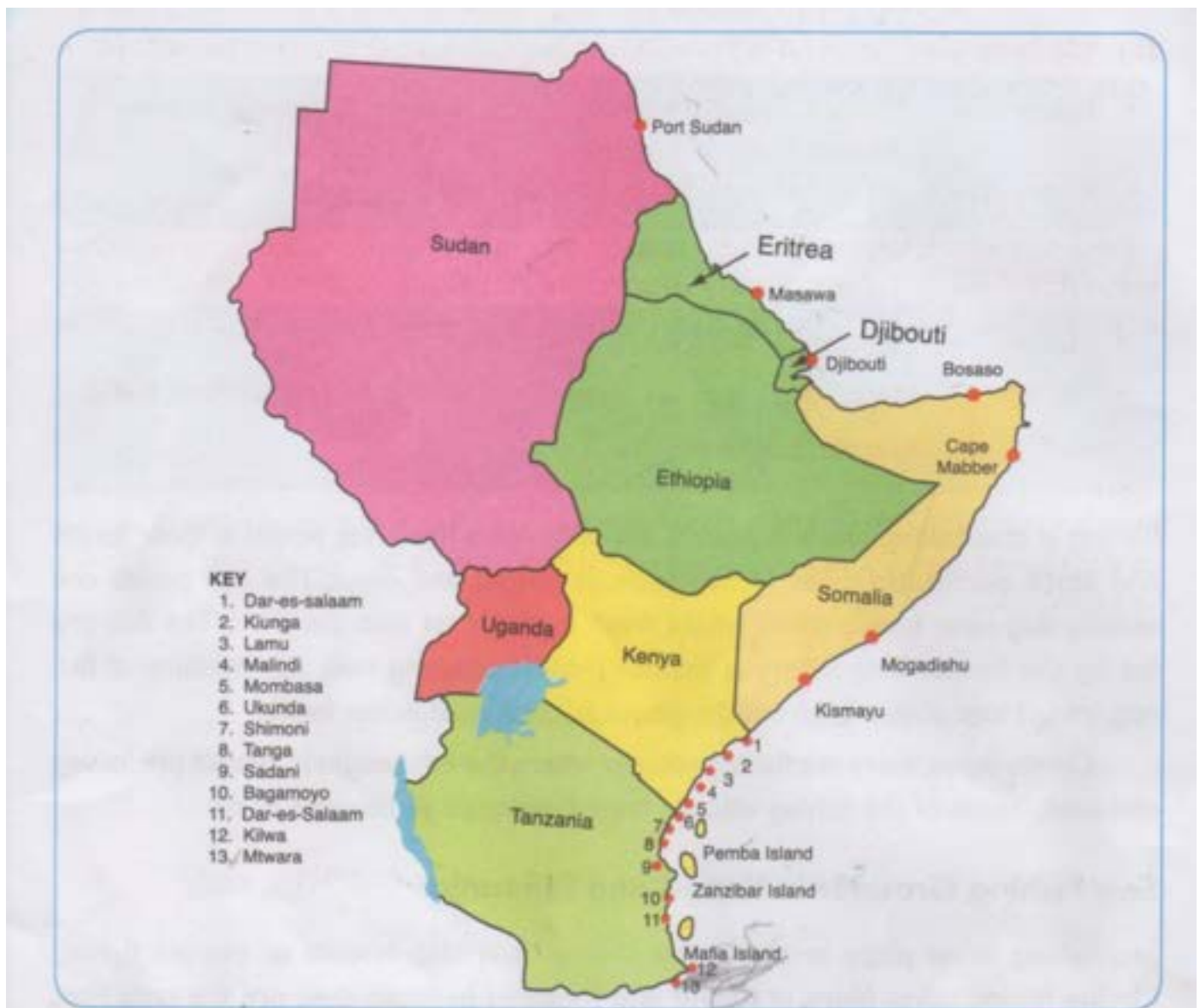


Fig. 4.10: Marine fishing areas

Problems Facing Inland Fishing in Kenya and Tanzania

The inland fishing faces a number of problems which discourage its development.

(a) Pollution

Some industries and farms release into the rivers harmful wastes, which kill the fish. The amount of fish in River Nzoia has reduced because of the waste from the sugar factories nearby. The towns of Kisumu, Entebbe, Jinja, Mwanza and Bukoba release human and industrial wastes into Lake Victoria, which may kill the fish. The water hyacinth on Lake Victoria has affected negatively fishing operations.

(b) Overfishing

The methods of fishing used in the lakes, such as trawling, harvest both the mature and young fish. After some time, the amount of fish in the lakes reduces because the young fish are not allowed to grow and mature in order to reproduce others.

This has been common in Lake Victoria and Naivasha, as the fishermen went in for more tilapia that was on high demand.

(c) Inadequate Finances

The fishermen do not have enough money to buy modern fishing equipment and refrigeration. They use hooks, traps and nets, driven on small boats. This makes their catch to be small. They also lack refrigeration facilities to preserve the fish before it reaches the market. They are also unable to buy vehicles to transport the fish to the markets.

(d) Exploitation of Fishermen

The fishermen do not sell their fish directly to the market, but to middlemen who are mainly foreigners. The middlemen pay the fishermen very little for the fish delivered, as they go on to make huge profits in the markets. The fishermen therefore continue to remain poor.

(e) Accidents

Sometimes the fishing boats and canoes capsize in the lakes, as a result of strong winds. When such accidents occur, the fishermen drown or lose their fishing equipment.

Problems Facing Sea Fishing in Kenya and Tanzania

Marine fishing is faced with the following problems:

(a) Inadequate finances

Just like the inland fishermen, the fishermen in the Indian Ocean lack enough money to buy the fishing equipment. This discourages them from fishing far into the sea and consequently, their catch is small.

(b) Small market

Sea fish is salty, making it less popular among many people. This discourages the fishermen from catching more fish.

WORK FOR YOU TO DO

- Which one of the following fish is not caught in inland fishing lakes?
A. Tilapia B. Salmon C. Dagaa D. Nile Perch
- Name the equipment used to catch fish in inland lakes.
- Name three inland fishing lakes in:
(i) Kenya (ii) Tanzania (iii) Uganda

4. Name three rivers used for fishing in:
(i) Kenya (ii) Tanzania (iii) Uganda
5. The main fish kept in fish ponds is _____.
6. The other name for sea fishing is _____ fishing.
7. Which one of the following is not a sea fish?
A. Mullet B. Trout
C. Tuna D. Kingfish
8. State three problems facing inland fishing in East Africa.
9. State three problems facing sea fishing in Kenya and Tanzania.

TRADE

Trade which involves the selling and buying of goods, has been a major economic activity among the communities in the region. Communities interacted among one another through the exchange of goods and services. Some communities travelled long distances to sell and buy their goods for trade.

Forms of Trade in Eastern Africa

The main forms of trade carried out by the people in the region are **internal** and **external** trade. Internal trade is the trade carried out within the countries and external trade is the trade carried out outside the countries of Eastern Africa. External trade takes place between two or more countries.

(a) Internal Trade

There are different forms of trade that take place within a country. Before the introduction of currencies, people exchanged their goods in form of **barter** trade. Later the traders organised themselves and set up places where and (days) when to sell their goods. These places became their **markets**. In some places, the markets are in the open air, while in others, the local councils have built shelters where people sell their goods. In the markets, traders from far and near bring their goods. There are specific days for market days, and particular days when certain goods are brought to the market.

As the markets grew, buildings were put up as shops to sell goods to the people throughout the week. There are different shops in the market centres. The shops that sell goods to buyers in small quantities such as a loaf of bread are known as **retail** shops. The shops that sell goods in large quantities such as a bag of sugar are known as **wholesale** shops. Wholesale shops sell goods to the retailers

and retailers sell to the public. There are large shops that stock many goods and the buyers walk in to select and pay for the items they want. Such shops are known as **supermarkets**.



Fig. 4.11: A Supermarket in Kenya

(b) External Trade

The communities living in Eastern Africa exchange goods across their borders. Items produced in one country but lacking in another are transported across the borders where they are sold. Such trade is either legal or illegal. Illegal trade is carried out when the government does not tax the people involved. For example, bananas from Uganda may be brought to Kenya and sold without any money going to the Kenya government. Where such trade is organised, the traders pay some fees to the government, known as **customs** fees. On all the borders of Kenya with her neighbours, there is trade going on, both legal and illegal. There is more illegal trade between Kenya and Somalia and Sudan because of the insecurity in those countries.

The countries of Eastern Africa trade with one another as they join the trading groups of the East African Community and COMESA. Their membership to these

groups enables the countries to sell goods to one another at reduced rates. The countries also trade with other African countries and countries of the world.

Imports to and Exports from Eastern Africa

Imports are goods bought from other countries and brought into a country and **exports** are goods taken out of a country to other countries. The main exports from this region to non-African countries are agricultural raw materials such as coffee, tea, pyrethrum, tobacco, sisal, flowers and vegetables. Some of these goods reach the importing countries cheaply, get processed further and get imported into our countries more expensively. Other exports include minerals and livestock.

Some of the countries that have more industries process and manufacture goods, which are exported to their neighbours. For example, Kenya imports crude oil from countries in the Gulf, refine it in Mombasa and later export the oil products to Uganda, Tanzania, Burundi, Rwanda, Ethiopia and Sudan. Kenya also exports industrial goods such as vehicles, cement, radios, bicycles, cooking oil and textiles to countries in the region.

The imports to the region are mainly manufactured goods such as fertilisers, vehicles, medicines, textiles, footwear, electronics and petroleum. The main trading countries with Eastern Africa are:

- United Kingdom
- India
- France
- South Korea
- The Gulf States
- United States of America
- China
- Germany
- Japan

Petroleum into the region is from Saudi Arabia, Oman, United Arab Emirates, Qatar and Iran. The following are the main imports and exports from the region:

(a) Kenya

- Imports – Petroleum, machinery, vehicles, textiles, medicines, fertilisers.
- Exports – Coffee, tea, flowers, pyrethrum, vegetables, cement, soda ash, fruits, salt, livestock, petroleum products, fish, tobacco, textiles, manufactured goods, vehicles.

(b) Uganda

- Imports – Petroleum products, machinery, paper products, vehicles, medicines, manufactured goods, textiles.
- Exports – Coffee, tea, cotton, hides and skins, cement, copper, fish and fish products, flowers.

(c) Tanzania

- Imports – Petroleum, vehicles, machinery, medicine, fertilisers, manufactured goods.
- Exports – Coffee, tea, sisal, livestock, cloves, cotton, tobacco, diamonds, gold, cashew nuts.

(d) Ethiopia

- Imports – Petroleum, machinery, vehicles, medicines, fertilisers, foodstuffs, manufactured goods.
- Exports – Coffee, hides and skins, vegetables, textiles, livestock, gat, gold, oil seeds.

(e) Somalia

- Imports – Petroleum, machinery, manufactured goods, medicines, foodstuffs, textiles, vehicles.
- Exports – Bananas, livestock, hides and skins.

(f) Sudan

- Imports – Foodstuffs, textiles, machinery, vehicles, manufactured goods, medicines.
- Exports – Sugar, cotton, petroleum, textiles, gum Arabic, livestock, groundnuts.

(g) Eritrea

- Imports – Vehicles, petroleum products, medicines, cereals.
- Exports – Livestock, sorghum, textiles.

Factors Influencing Trade in Eastern Africa

Trading cannot be carried out until the sellers and buyers meet certain conditions. The conditions make trading possible. The following are some of the conditions that influence trade:

(a) Finances

Availability of money is important. It will enable the traders to buy enough goods to sell to those who need them. When a trader has adequate finances, the trader can make available different types of goods to the buyers. The buyers also need enough money so as to buy the goods they want. Many people in the region can

afford to buy the goods they want. Some people in the dry areas do not have enough money because they hardly sell their animals to get cash.

(b) Availability of Goods

The presence of goods encourages traders to buy and take them to areas where there are none. Without goods, trading cannot take place.

(c) Security

When there is peace, people go about their activities without fear. The traders can buy goods in one area and transport them to other areas at any time and are assured of getting their money back. Areas experiencing instability, such as war, are risky to carry out business. For example, in Somalia, northern Uganda and southern Sudan where there are civil wars, trade cannot take place because the traders fear to be killed or lose their goods.

(d) Demand for Goods

Traders will only buy and stock goods that are needed by the people. This is because they are assured of the goods being bought and then receiving their money back.

(e) Availability of Transport

Areas that are accessible enable the traders to transport their goods to the market on time. Where there are good roads and means of travel available such as lorries, bicycles and buses, traders are able to sell their goods easily.

Benefits of Trade in Eastern Africa

The following are some of the ways in which trade benefits the people in the region:

(a) Earning of Income

Trade enables people to earn income from the sale of goods. The earnings help to raise their standard of living. Trade also earns the government and local councils income as the traders pay trading fees. The money raised is used to provide services to the people.

(b) Earning of Foreign Exchange

When countries export their goods, they earn foreign exchange which they use to pay for their imports. Some of the foreign exchange earnings are used to develop roads, schools and hospitals in the countries.

(c) Employment Opportunities

Some people are self-employed as traders while others are employed in the shops and supermarkets. This helps to improve their standard of living.

(d) Improvement of Transport

Trade helps to improve the transport network as traders move from one place to another, selling their goods. Roads are improved as the means of transport increases.



Fig. 4.12: A newly built road.

(e) Development of industries

Trade encourages the setting up of more industries, as many people demand the goods for trade.

(f) Expansion of Agriculture

Most of the items of trade are agricultural goods, sold in the local markets and others exported to other countries. More demand for the goods will encourage farmers to grow more of the items to meet the demand.



Fig. 4.13: Agricultural goods in the market.

(g) Development of towns

Most of the trading activities are carried out in urban centres. An increase in trading activities results in the expansion of urban centres. Most of the towns in the region are commercial centres.

(h) Good relations

Trading makes the trading partners to have good relations among them. Communities and countries that trade with one another and are peaceful to each other, are friendly.

(i) Sharing of goods

Trade enables people who have produced more goods than they need (surplus) to sell and share with those in need.

Problems Facing Trade in Eastern Africa

The following are some of the problems facing trade in the region:

(a) Lack of goods

There are some areas, which do not receive all the goods they want. This makes trading difficult because of the scarcity of goods.

(b) Poverty among the people

Majority of the people in the region are so poor that they cannot afford to buy items in the market or shops. Some of the countries also have too little income to import goods required by their people.

(c) Trade barriers

Some governments have put restrictions on items to be imported or exported. This restricts the number of goods available for trade.

(d) Taxation

Some governments impose high fees for the importation of certain goods. This makes the goods expensive and therefore available to a few people.

(e) Production of similar goods

Most of the countries in the region produce similar agricultural goods. This reduces chances of inter-state trading. The flow of goods is more in Kenya, since she has more manufacturing and processing industries.

(f) Insecurity

Some of the countries in the region are experiencing insecurity as a result of civil wars. For example, there is little trade taking place between Sudan and her neighbours to the south, and between Somalia and her neighbours.

WORK FOR YOU TO DO

1. What is trade?
2. Explain the difference between retail and wholesale trade.
3. What is internal trade?
4. The fees charged on goods entering a country is called _____ fees.
5. Name two trading groups where traders in East Africa trade among themselves.
6. Name the main goods sold in the local markets.
7. Which one of the following countries is not a major trading partner with the Eastern African countries?
 - A. South Korea
 - B. Japan
 - C. Qatar
 - D. Russia
8. Below are imports to Eastern Africa, which one is not a major import?
 - A. Petroleum
 - B. Machinery
 - C. Foodstuffs
 - D. Medicine
9. State four ways in which the countries of Eastern Africa benefit from trade.
10. Explain four problems facing trade in the region.