"The African Native Has No Pocket": Monetary Practices and Currency Transitions in Early Colonial Uganda*

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> "I hope that favourable consideration will be given to the plan of minting the small coins with a hole for stringing. The African native has no pocket and cannot carry ordinary coins about with him. If the new coins could be strung they could easily be carried and would serve as ornaments in place of beads. They would at once become popular."[1]
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> – *Charles Eliot*

Introduction

The creation of a new currency for the European colonies was driven by various economic motivations, including the reduction of transaction costs, the construction of colonial economies, and the increase in control over macroeconomic conditions. It was also a key component of the general European "civilizing" process.[2] Colonial money was considered an "evolution" away from African commodity currencies, and its use implied the recognition of the institution that had issued it.[3] The colonial state's introduction of a new currency also served as a way to create a uniform colonial space, delimited by colonial borders and defined by the circulation of a single legal tender. Building one, single currency in the place of regional, locally circulating currencies, was a means to create and later reinforce an entirely new identity promoted by imperial ideologies.[4] Few signs of the colonial state extending its reach were as profound as a centrally issued metal currency and

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[1] Eliot to Foreign Office, 8 September 1903, FO 2/956 The National Archives, London (hereafter TNA).

[2] Eric Helleiner, *The Making of National Money: Territorial Currencies in Historical Perspective* (Ithaca, NY: Cornell University Press, 2003), 165–183.

[3] Jan Hogendorn and Marion Johnson, *The Shell Money of the Slave Trade* (1986; reprint, Cambridge: Cambridge University Press, 2003), 150.

[4] Helleiner, *The Making of National Money*, 183.

its acceptance in the rural areas of the colony.[5] While discussing currency matters, colonial officials in East Africa often mentioned the fact that the African "natives" had no pockets. This was a way to explain why Africans used cowrie shells or beads as money.[6] The colonial interpretation was that Africans had no clothes, and therefore no pockets, and for that reason they only used those currencies that could be strung and carried around their neck. The dichotomy between pocket and string brings to light different perceptions and uses of money in British colonial East Africa. In many parts of Africa, putting cowries or beads on a string was not just a way to transport them. In these regions, as well as in India and China, creating strings with a fixed number of beads, shells or coins, was a way to make larger currency denominations. In this way, these currencies could be multiplied for accounting purposes by standardized units.[7]

The monetary transition of the colonial period has been defined as a "monetary revolution," a concept Paul Bohannan introduced in the late 1950s. He applied the concept of "spheres of exchange" to the Tiv economy and argued that the role of colonial currencies was to dissolve old systems of currencies already in use and to transform the local, multi-centric economy into a unicentric system.[8] Later historians adopted his idea of a "currency revolution" to analyze the gradual adoption of coins and notes in the West African colonies. Proponents of the "currency revolution" hypothesis suggested that the introduction of colonial currencies represented the rise of a new monetary economy in Africa, in which "modern money" facilitated exchange and the expansion of trade and replaced local, African currencies. Antony G. Hopkins, for instance, has analyzed the case of Nigeria and pointed out that by 1880 the "traditional currency system" was in decline as a result of the cowrie inflation and the demonetization of the dollar. This situation called for a "more modern and stable medium of exchange" and made possible the circulation of colonial money.[9] Walter I. Ofonagoro, also focusing on Nigeria, shows how the southern part of the colony was characterized by an economy formed by two currency systems, one based on cowries, and the other on British metal currencies.[10] He points out that "traditional" currencies, like cowries, were more suitable than British currencies for daily transactions. As a consequence, local currencies circulated alongside colonial money for

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[5] Jeffrey Herbst, *States and Power in Africa: Comparative Lessons in Authority and Control* (Princeton, NJ: Princeton University Press, 2000), 202.

[6] Besides the introductory quotation, see, as an example, Sadler to Lansdowne, Entebbe, 16 November 1902, FO 2/594 TNA; Charles W. Hattersley, *The Baganda at Home* (London: Cass, 1908), 42.

[7] Antony G. Hopkins, *An Economic History of West Africa* (London: Longman, 1973), 68.

[8] Paul Bohannan, "The Impact of Money on African Subsistence Economy," *Journal of Economic History* 19 (1959), 501.

[9] Antony G. Hopkins, "The Currency Revolution in South-West Nigeria in the Late Nineteenth Century," *Journal of the Historical Society of Nigeria* 3, 3 (1966), 482–83.

[10] Walter I. Ofonagoro, "From Traditional to British Currency in Southern Nigeria: Analysis of a Currency Revolution," *Journal of Economic History* 39, 3 (1979), 652.

fifty years and were replaced only when inflation and the "colonial economic and social revolution could take their toll."[11]

The "currency revolution" paradigm or, as Bill Maurer puts it, the "comforting plotline" of the impact of colonial money on "traditional" societies,[12] has been criticized for not paying complete attention to the specificities of African monetary history and trade networks. Among others, Jane Guyer has pointed out that the term "revolution" suggests that one state of being was supplanted by another one, therefore assuming a victory of "modern" over "primitive" money. According to her, the idea of a "currency revolution" fails to capture the complexity of African currency changes over the *longue durée*.[13] According to Mahir Saul, scholars have generally been too preoccupied with an opposition between types of money, without focusing on the relationship between economic process and political life. Nor did they adequately explore how competing currencies had different implications for social relations and economic life.[14] He showed that in French West Africa the refusal to use colonial money for transactions other than paying taxes allowed women traders, merchants, and lineage elders to partly retain their economic independence.[15] Similarly, in their analysis of the Tswana, Jean and John Comaroff have demonstrated that the imposition of colonial currencies was challenged by African conceptions of value in connection with different types of currency, i.e., cattle, beads, and colonial money.[16] Finally, Ben Naanen has looked at how manillas and British currency coexisted in Nigeria and how this affected the lives of colonized people. Manillas, contrary to other local currencies, were redeemed in 1948, and it was only then, according to Naanen, that the imposition of colonial state control was completed.[17] These studies have described colonial monetization as an encounter of different regimes of value that gave rise to processes much more nuanced and complex than the replacement of precolonial currencies with coins and notes.

This article builds on this historiography and discloses the mechanisms behind the introduction of colonial currencies in Uganda, while situating this process in a longer dynamic of historical change and monetary dynamism that characterized the societies

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[11] Ibid., 654.

[12] Bill Maurer, "The Anthropology of Money," *Annual Review of Anthropology*, 35 (2006), 17.

[13] Jane Guyer, "Introduction: The Currency Interface and Its Dynamics," in Jane Guyer, ed., *Money Matters: Instability, Values and Social Payments in the Modern History of West African Communities* (Portsmouth, NH: Heinemann, 1995), 1–2.

[14] Mahir Saul, "Money in Colonial Transition: Cowries and Francs in West Africa," *American Anthropologist* 106, 1 (2004), 71, 80.

[15] Ibid., 81.

[16] Jean Comaroff and John Comaroff, "Colonizing Currencies: Beasts, Banknotes, and the Colour of Money in South Africa," in Wim van Binsbergen and Pieter Geschiere, eds., *Commodification, Things, Agency and Identity (The Social Life of Things Revisited)* (Leiden: Brill, 2005), 145.

[17] Ben Naanen, "Economy within an Economy: The Manilla Currency, Exchange Rate Instability, and Social Conditions in South-Eastern Nigeria, 1900–48," *Journal of African History* 34, 3 (1993), 425–46.

involved.[18] Its main purpose is to show how the monetization of the colonial period was not an abrupt change from a customary usage of certain commodity currencies to the coins and notes introduced by the colonial power. Rather, this was a gradual transition that encompassed the coexistence, sometimes for decades, of multiple currencies, circulating in different currency circuits and often performing different functions.[19] This article contends that the monetary system that resulted from this transition was not a replacement of the old currency system with a new one, but rather the result of convergence of different systems of value and monetary practices. Unraveling these practices provides a vantage point from which to understand the principles by which changes and instabilities produced by the establishment of colonial rule were assimilated or embraced within East African communities.[20] At the same time, the uncertainty of the British in their ability to establish a new currency in the early colonial period sheds light on the problematic nature of colonial control as well as on the limited reach of the colonial state.[21]

Existing works on money provide useful definitions, but they tell us very little about money itself, including how it circulates, among whom, and the ways in which people use it.[22] By looking at how different forms of money were used and combined in the early colonial period, such as in the payment of wages, in the settlement of fees and fines, and in the negotiation of bridewealth payments, this article casts light on the divergence between the specificity of African monetary systems and the European intention of building one, single currency in the colonies. Changing monetary conditions have also been the product of local dynamics, and indeed the assimilation of change has been a marked quality in African societies and history in general, well before the establishment of colonial rule.[23] With the adoption of a long-term perspective, African monetary developments emerge as the result of many "currency revolutions," of which the particular revolution of the colonial period was only one.

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[18] Very little research has been done on the monetary history of colonial East Africa; few exceptions are Robert Maxon, "The Kenya Currency Crisis, 1919–21 and the Imperial Dilemma," *Journal of Imperial and Commonwealth History* 17 (1989), 323–48; Wambui Mwangi, "Of Coins and Conquest: The East African Currency Board, the Rupee Crisis, and the Problem of Colonialism and the East African Protectorate," *Comparative Studies in Society and History* 4, 4 (2001), 763–87; Wambui Mwangi, "The Lion, the Native and the Coffee Plant: Political Imagery and the Ambiguous Art of Currency Design in Colonial Kenya," *Geopolitics* 7, 1 (2002), 31–62; Bred Weiss, "Coffee, Cowries, and Currencies: Transforming Material Wealth in Northwest Tanzania," in Wim van Binsbergen and Pieter Geschiere, eds., *Commodification, Things, Agency and Identity*, 145–74.

[19] See the special issue of the *Financial History Review* on complementarity among currencies, and especially the introduction by Akinobu Kuroda, "What is Complementarity among Monies? An Introductory Note," *Financial History Review* 15, 1 (2008), 7–15.

[20] Guyer, "Introduction: The Currency Interface," 4, 35.

[21] Herbst, *States and Power*, 206.

[22] Emily Gilbert, "Common Cents: Situating Money in Time and Place," *Economy and Society* 34, 3 (2005), 366.

[23] Guyer, "Introduction: The Currency Interface," 18.

Change and Adaptation Over the *Longue Durée:* Currencies in Buganda before Colonization.

Recurrent currency changes were endemic in precolonial African societies more than generally assumed and monetary developments usually reflected broader trends of commercial expansion.[24] Before becoming the landlocked Protectorate of Uganda, this area of East Africa had been a place where various trade spheres and currency circuits overlapped. The adoption of different, centrally controlled currencies allowed for the mediation of transactions between social strangers as well as the enforcement of links of authority with the king.[25]

The information we have on the currencies in use in Uganda before the arrival of coastal traders in the nineteenth century is limited and fragmentary. Bakaluba contends that the first item to function as currency in Buganda was barkcloth. According to his informants, people generally exchanged goods in non-monetary transactions, but when high-valued items such as hoes, goats, or cows changed hands, they were priced in barkcloth.[26] Tributes to the *kabaka* were also paid in barkcloth, which was specifically made for this purpose, and together with other products like beer or fowl, was part of marriage payments.[27]

During the reign of *kabaka* Kyabaggu (c. 1750–1780) *ensinda* beads started to come into circulation and were gradually used as currency. Very little historical evidence survives on these beads. They were blue and not particularly finely made, and they were not the Venetian glass beads that started to be used as currency in the commercial hinterland of Zanzibar in the nineteenth century.[28] Johnston refers to them as "mysterious blue beads" that had appeared on the soil surface in Northern Kavirondo after a heavy thunderstorm. Local people believed that the beads had descended with the rain. According to Johnston's informants, these beads were formerly of great value and were purchased at the rate of one cow per bead.[29] The *kabaka* had a monopoly on the circulation of *ensinda*, and it is likely for this reason that they were quite rare and highly valued.[30] Notwithstanding the limited numbers in circulation, *ensinda* beads were used for trade

[24] Paul Lovejoy, "Interregional Monetary Flows in the Precolonial Trade of Nigeria," *Journal of African History* 15, 4 (1974), 564; Guyer, "Introduction: The Currency Interface," 15.

[25] Mwangi, "Of Coins and Conquest," 781–82.

[26] E. Bakaluba, *Buganda N'ensimba Zaayo* (Kampala: Eagle Press, 1951), 1.

[27] Mair mentions that as far back as any of her informants could remember, 250 cowries could be given as an alternative. Lucy Mair, *An African People in the Twentieth Century* (London: Routledge, 1934), 133; see also Apolo Kagwa, *The Customs of the Baganda* (New York: Columbia University Press, 1934), 94.

[28] Karin Pallaver, "'A Recognized Currency in Beads': Glass Beads as Money in 19th-Century East Africa: The Central Caravan Road," in Catherine Eagleton, Harcourt Fuller, and John Perkins, eds., *Money in Africa* (London: British Museum Research Publications, 2009), 20–29.

[29] Harry H. Johnston, *The Uganda Protectorate* (London: Hutchinson, 1902) 1: 209; 2: 783.

[30] Michael Posnansky, "Connections between the Lacustrine People and the Coast," in Hubert Neville Chittick and Robert I. Rotberg, eds., *East Africa and the Orient: Cultural Syntheses in Pre-Colonial Times* (New York: Africana Publishing House, 1975), 218.

purposes as well as to pay taxes to the *kabaka*.[31] Even if we do not have precise information on their origin, it is reasonably possible, given the Egyptian tradition in glass bead making, that these beads came into circulation in Uganda through trade contacts with the north.[32]

During the reign of *kabaka* Junju (ca. 1790–1800), *ensinda* circulated together with ivory pieces (*obusanga*), which gradually replaced the rare and expensive *ensinda* beads.[33] These pieces came in the form of smooth and light bored discs, which were put on strings made of palm fiber. Specialists in the royal palace carved these ivory discs and the *kabaka* controlled the amounts in circulation.[34] From the point of view of uses and monetary functions, despite fragmentary evidence, it is fairly reasonable to assume that *obusanga* had similar functions as the *ensinda* beads that they replaced.[35] At the time of the introduction of cowries, both ivory discs and *ensinda* were still in circulation and, according to Roscoe, they had the same value in relation to cowrie shells; one ivory disc or one *ensinda* were both exchanged for one hundred cowries.[36] This, if true, confirms that the value of both items was very high, given that cowries had a high purchasing power at the time of their introduction from the coast.

In the first half of the nineteenth century, long-distance trade goods like cowries and cloth arrived in Buganda from Zanzibar and the East African coast following the growth of international demand for ivory and slaves.[37] Cowries reached Buganda during the reign of Semakookiro (ca. 1800–1812), became popular by the mid-nineteenth century under *kabaka* Ssuna II (1830–1857), and started to be used as a recognized means of exchange under *kabaka* Mutesa I (1857–1884).[38] Trade with the Congo basin region could have made Buganda people familiar with cowries coming from the West coast and could

[31] Bakaluba, *Buganda N'ensimba Zaayo*, 3.

[32] Johnston, *The Uganda Protectorate*, 1: 209; 2: 783. On Egyptian beads, see Alison Quiggin, *A Survey of Primitive Money: The Beginning of Currency* (London: Methuen, 1949), 41.

[33] Bakaluba, *Buganda N'ensimba Zaayo*, 4; John Tosh, "The Northern Interlacustrine Region," in Richard Gray and David Birmingham, eds., *Pre-Colonial African Trade: Essays on Trade in Eastern and Central Africa* (London: Oxford University Press, 1970), 107; John Roscoe, *The Baganda: The Native Customs and Beliefs* (London: Macmillan, 1911), 269; Cyril Ehrlich, "The Economy of Buganda, 1893–1903," *Uganda Journal* 20, 1 (1956), 20.

[34] Roscoe, *The Baganda*, 269; John Allen Rowe, "Revolution in Buganda 1856–1900. Part One: Reign of Mukabya Mutesa 1856–1884" (Ph.D. thesis, University of Wisconsin, 1966), 47.

[35] Quiggin mentions strings of wild banana seeds being used as currency in Buganda, but I have not found any other reference to this. Quiggin, *A Survey of Primitive Money*, 99.

[36] Roscoe, *The Baganda*, 456–57.

[37] Tosh, "The Northern Interlacustrine Region," 111; John M. Gray, "Trading Expeditions from the Coast to Lakes Tanganyika and Victoria before 1857," *Tanganyika Notes and Records* 49 (1957), 222–46; John M. Gray, "Ahmed bin Ibrahim—The First Arab to Reach Buganda," *Uganda Journal* 11, 2 (1947), 80–97.

[38] These are the dates of reign according to Henri Médard, as reported in Holly E. Hanson, *Landed Obligations: The Practice of Power in Buganda* (Portsmouth, NH: Heinemann, 2003), xvii–xviii.

have favored the quick adoption of shell money when traders from Zanzibar first introduced cowries.[39] Cowries were plentiful and easily obtainable along the coast and in Zanzibar, but could not be directly accessed by Ganda traders, who did not generally visit the coast.[40] The success of the cowrie as currency can be readily explained: thanks to its size and shape, it could be easily handled, was impossible to counterfeit, and, thanks to its durability, could be stored for many years.[41]

Imported cloth, especially the American unbleached calico locally called *merikani*, also came into use in this period, especially for purchasing ivory and slaves.[42] Since the end of the eighteenth century, the *kabaka* regulated the import, distribution, and possession of cloth.[43] Coastal traders could only sell cloth to the king and his representatives and were prohibited from trading outside the capital.[44] Small denomination currencies like cowries could more easily circulate instead.

In the 1880s trade between coastal and Baganda traders was based on two currencies: "an arms' length of calico and a string of 100 cowries."[45] In Buganda, cowries (*simbi*) were in fact bored and put on strings of one hundred shells, called *kiasa*. This could be easily divided into halves of fifty each, and again into five parts of ten each, the smallest division being five shells.[46] This made cowries particularly suitable to buy goods of very small value, like foodstuffs, and at same time allowed for the creation of larger currency denominations.[47] According to some observers, thanks to the introduction and use of cowries, accounting did not present any difficulty to Baganda people.[48] Hattersley noted that:

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[39] Verney L. Cameron, *Across Africa* (London: Daldy, Isbister and Co., 1877), 176; Georg A. Schweinfurth, Friedrich Ratzel, Robert W. Felkin, and Georg Hartlaub, eds., *Emin Pasha in Central Africa, Being a Collection of His Letters and Journals* (London: Philip, 1888), 114. According to Burton, cowries were collected in the various places along the coast between Ras Hafun and the Mozambique. This trade was in the hands of Muslim hucksters; see Richard F. Burton, "The Lake Regions of Central Equatorial Africa," *Journal of the Royal Geographical Society* 29 (1859), 448.

[40] Some expeditions to the coast are reported, but it was not a direct and systematic connection; see Richard Reid, *Political Power in Precolonial Buganda: Economy, Society and Warfare in the Nineteenth Century* (Oxford: James Currey, 2002), 159.

[41] Hopkins, *An Economic History*, 70.

[42] On *merikani* and its commodity chain, see Jeremy Prestholdt, *Domesticating the World: East African Consumerism and the Genealogies of Globalization* (Berkeley: University of California Press, 2007), 59–87.

[43] Reid, *Political Power*, 151–58.

[44] In 1882 *kabaka* Mutesa attempted to limit the import of cowries in order to favor the import of cloth and firearms, but in vain; Henri Médard, *Le Royaume du Buganda au XIXe siècle: Mutations politiques et religieuses dans un ancien état d'Afrique* (Paris: Khartala, 2007), 133. According to Reid, the control of the *kabaka* on trade should not be exaggerated. Reid, *Political Power*, 158.

[45] Berkeley to Foreign Office, Port Alice, 21 April 1896, FO/2/112 TNA.

[46] Schweinfurth et al., eds., *Emin Pasha in Central Africa*, 81.

[47] Hopkins, *An Economic History*, 70.

[48] Roscoe, *The Baganda*, 40.

> By their own methods the Baganda are very quick at calculating, though they count in a most peculiar manner. A raw peasant, for instance, wishing to count one hundred cowrie shells will mark off two and two and call them one, and so on five times, when he has got twenty, and five times of this completes his hundred, but they can invariably tell when one shell is missing in a thousand.[49]

The use of shells created specific ways of counting money that, as we will see, largely survived during the colonial period and influenced colonial currency policies.

The circulation and acceptance of cowries was also favored by the *kabaka*'s intervention. *Kabaka* Mutesa, for instance, fixed the price of goods on sale in the capital's market; sticks with ten small fish were priced at one cowrie, a big tilapia at five cowries, a chicken at fifty, and a goat at five hundred shells. A cow was valued at two thousand shells.[50] Fees and taxes were also paid in cowries. Market places in and around the *kabaka*'s capital were controlled by a special chief, appointed by the king, who collected the market fees, paid in cowries, in the form of 10 percent of the value of each article sold or bought.[51] As for taxes, the amount usually demanded was a fixed number of cattle from each sub-chief and a fixed number of barkcloth pieces together with one hundred cowries from each peasant.[52] Smaller chiefs paid in numbers of goats and hoes. It frequently took two or more months to collect taxes because the barkcloth and hoes had to be made specifically for this purpose.[53] In this sense, taxation was a way to stimulate the production of certain items that became part of the king and chiefs' wealth. Tributes in the forms of cowries or other goods also had to be paid by tributary neighbors. The Koki paid in iron hoes and shells, the Ankole in cattle, the Busoga in cows and slaves, the Kiziba in shells, and those from Sese Island paid in fish.[54] In the nineteenth century, cowries were also used to pay fines in courts.[55]

The imposition of taxes, fines, and market fees in the new currency created the conditions for the adoption of cowries. As Médard points out, if the development of international trade was at the origin of the creation of a unified currency area, the imposition of fines and taxes had a parallel important role.[56] The maintenance of a single type of currency for a wide range of transactions seems to have been achieved in precolonial Africa only under very limited conditions, one of which was political centralization.[57] The exercise of the prerequisites of state power, such as taxation, was

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49 Hattersley, *The Baganda at Home*, 174.

50 Bakaluba, *Buganda N'ensimba Zaayo*, 4.

51 Roscoe, *The Baganda*, 452.

52 Kagwa reports that after the introduction of cowries, those who had cattle paid one cow or goat every twenty possessed; the others paid 250 shells; see Kagwa, *The Customs of the Baganda*, 94.

53 Roscoe, *The Baganda*, 245.

54 Ibid., 234.

55 Bakaluba, *Buganda N'ensimba Zaayo*, 6–7.

56 Médard, *Le Royuame du Buganda*, 134.

57 Guyer, "Introduction: the Currency Interface," 22; Jane Guyer, *Marginal Gains, Monetary Transactions in Atlantic Africa* (Chicago: University of Chicago Press, 2004), 129; James A. Webb, "Toward

facilitated by the adoption of a standard currency that had preferably a low fungibility, like cowrie shells or manillas.[58]

The fragmentary evidence available that sheds light on Buganda precolonial monetary history suggests the existence of a process in which different currencies were gradually adopted for a variety of transactions. Given the available evidence, it is impossible to confirm with any certainty exactly why and when one currency was replaced by another. It is reasonably fair to assume, however, that at a certain point, a commodity became more convenient to satisfy transactional needs as a consequence of changing economic and trade patterns. The currencies in use in precolonial Buganda had some characteristics in common that very likely facilitated their transition from one to another. *Simbi*, *ensinda*, and *obusanga* were all bored so that they could be put on strings in order to facilitate accounting and create larger currency denominations. Alongside their symbolic and ornamental uses, they were also all characterized by their low fungibility. At the same time, the *kabaka* controlled these currencies by limiting the amounts in circulation and enforcing their acceptance by levying tributes and fees.

Precolonial monetary transitions were also very likely facilitated by the existence of a shared concept of wealth, which was related to the value of cattle.[59] In precolonial Buganda, cattle had both economic and social functions. Cattle was an accepted measure for evaluating wealth, as it served as a unit of accounting against which the value of prestige goods, like hoes or cloth, was measured.[60] The credit system, which was a well-established feature of Baganda economic and social life, was also based on cattle, and credit and wealth were accumulated through their acquisition and reproduction. Cattle were "the hallmark of the wealthy," because their possession enabled a man to lend to his subordinates, as well as make feasts for them.[61] Cattle also had legal functions, as they could be surrendered in compensation for wrongs or injuries. As stated earlier, chiefs also paid taxes in cattle, and, as we will see, used cattle to pay fines during the early colonial period. In precolonial Buganda, small value goods were valued against ivory discs, beads, or cowries, whereas high-value goods were evaluated on the estimated worth of an ordinary cow, whose value remained fairly stable until the 1890s.[62] This created a shared regime of value in which various monetary changes, resulting from the adoption of the

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the Comparative Study of Money: A Reconsideration of West African Currencies and Neoclassical Monetary Concepts," *International Journal of African Historical Studies* 15, 3 (1982), 462.

[58] Jane Guyer, "Indigenous Currencies and the History of Marriage Payments: A Case Study from Cameroon," *Cahiers d'études Africaines* 26, 104 (1986), 590; Webb, "Toward the Comparative Study of Money," 464; Jan S. Hogendorn and Henry A. Gemery, "Continuity in West African Monetary History? An Outline of Monetary Development," *African Economic History* 17 (1988), 129.

[59] Guyer, "Indigenous Currencies," 578.

[60] A similar example can be found among the Kikuyu. See Louis S.B. Leakey, *The Southern Kikuyu before 1903* (London: Academic Press: 1977), 1: 503–504.

[61] Mair, *An African People*, 145.

[62] Rowe, "Revolution in Buganda," 47. On the value of cattle, see Médard, *Le Royuame du Buganda*, 134.

most convenient currency from the point of view of availability and transactional value, could be absorbed.

The specificity of this monetary system clashed with the colonial intention of building a single legal tender in the Uganda protectorate, and at the same time mitigated and negotiated the effects of the introduction of colonial coins. Departing from commonly accepted misconceptions that assume a rapid and thorough imposition of colonial money, the next section reconstructs the rationale behind the decision made by the British in the 1890s to make the Indian rupee and its fractional coins the official currency of Uganda.

In Search of a "More Civilized Medium of Exchange"[63]: The Indian Rupee and the Ban on Cowries

The reform of precolonial monetary systems by the colonial powers had various motivations. The main monetary goal was the reduction of transaction costs between the colony and the home country that could result from the leveling of the differences between domestic monetary systems and those in use in colonized regions. At the same time, the introduction of a "modern" currency was seen as a way to transform local economic structures and to construct export-oriented economies. Other reasons that prompted the introduction of new currencies were the desire to control macroeconomic conditions in the colonies, and increase seigniorage revenues, which were seen as a way to finance local colonial governments. Finally, colonial currencies had symbolic value. They were perceived as an instrument that would create a homogenous colonial space and enforce recognition of the authority of the new colonial government.[64]

In Uganda, the problems caused by the lack of control over the issue, supply, and circulation of currency led colonial officials to attempt to replace African currencies soon after the establishment of the protectorate in 1894. The discussion on the most suitable currency for the new protectorate started in 1894 between the Treasury in London, the acting commissioner for Uganda, Henry Colvile, the consul general in Zanzibar, Arthur Hardinge, and Percy Anderson, the head of the Foreign Office Africa Department.[65] With little knowledge of the reality in which the new currency was to be introduced, the Foreign Office proposed the introduction of the sterling, as it had been done in many other parts of the empire. This was indeed a common practice for the colonies, and in the nineteenth century there had been some talk in London of making the shilling current "wherever the British drum was heard."[66]

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[63] Hamilton to Under Secretary of State, London, 14 May 1895, T/1/9082B TNA.

[64] Eric Helleiner, "The Monetary Dimensions of Colonialism: Why Imperial Powers Created Currency Blocks?," *Geopolitics* 7, 1 (2002), 5–30.

[65] See the correspondence in T/1/9082B TNA. Even if this article focuses on Uganda, I will sometimes refer also to the East Africa Protectorate, because the colonial authorities of both protectorates were involved in the discussion on currency matters and both influenced its outcome. As a matter of fact, during the British colonial period, Uganda and the East Africa Protectorate were subject to the same monetary institutions and laws, with very small local variations.

[66] Antony G. Hopkins, "The Creation of a Colonial Monetary System: The Origins of the West African Currency Board," *African Historical Studies* 3, 1 (1970), 104.

Administrators on the ground had different opinions, however. A strong coalition, headed by Hardinge, advocated for the introduction of the Indian rupee, owing to the well-established commercial relationships that East Africa had developed with Zanzibar and India. Colvile urged the introduction of the Egyptian currency instead. According to him, Uganda's commercial relationships were more oriented to the north and the Sudan, rather than towards the Indian Ocean. He also pointed out that in Uganda, contrary to the East Africa Protectorate, to which Hardinge referred, the sums that changed hands were very small and would be better served by Egyptian small-denomination currencies.[67] As was discovered later, Colvile had the clearest knowledge of local realities. Nonetheless, the Egyptian coinage idea was rejected by the Treasury and the Indian rupee with its fractional coins was chosen as the best option for both Uganda and the East Africa Protectorate.

The Indian rupee had been circulating in East Africa before the establishment of British colonial rule. Members of the Foreign Office as well as colonial officers in the East Africa Protectorate and Zanzibar considered its choice as the currency of both protectorates a natural consequence of the pre-existing trade relations with the Indian Ocean commercial world and especially with Zanzibar, which had become the basis of British commercial interests in the area.[68] At the same time, they believed that the amount of rupees in circulation could be naturally controlled by trade operations, whereas the demand for additional currency could be easily met with the import of new coins from India.[69] In May 1895 the Indian rupee became therefore the official currency of Uganda and the East Africa Protectorate, and this was officially sanctioned in the 1898 (Currency) Order in Council.[70]

Twenty-eight thousand rupees were introduced in the Uganda Protectorate in 1896, and another twenty-six thousand in 1897. At this time, the exchange value was eight hundred cowries to the rupee. Being that there were goods at local markets that were priced at three or five cowries, it is self-evident that the rupee could not be used for daily small transactions. The fractional coin of the rupee, the copper pice (1/64 of a rupee), could be introduced only in small numbers, as it was too expensive to carry from the coast via porters.[71] Given the nature and the small amount of the coins in circulation, the British had no other choice than to maintain existing currencies for daily administration and the

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67 "Coinage in Uganda," Report attached to Mowatt to Foreign Office, London, 19 December 1894, T/1/9082B TNA.

68 Mwangi, "Of Coins and Conquest," 770.

69 On the profits that could be made on the rupee compared to the sovereign, see the 1912 "Report" by Bowring in CO 533/99 TNA.

70 (Currency) Order in Council, 19 May 1898, F/881/7027X TNA. This Order in Council only applied to the East Africa Protectorate, and not to Uganda, even if the Indian rupee became the official currency of both protectorates. The first (Currency) Order in Council for Uganda was issued in 1905; see below.

71 Jackson to Marquess of Lansdowne, Entebbe, 13 July 1901, FO 2/462 TNA. To solve the problem of transport costs, an attempt was made to introduce rupee notes; in 1899 25,000 notes were sent to Uganda, but they had no success; Bradbridge to Hardinge, Mombasa, 8 February 1899, FO 2/189 TNA.

payment of labor.[72] Moreover, African staff such as troops and porters did not accept rupees and even British officials in Uganda were entitled to receive a daily allowance of 250 cowries, for a total of 7,500 shells per month. This allowance was intended to meet daily wants for small market purchases and was introduced in 1893.[73]

Cloth and cowries had, therefore, to be issued by government stations as currency, even if they suffered from defects that rendered their use as money by the colonial government quite problematic.[74] Issuing and keeping accounts in both cloth and cowries produced inaccurate results and was extremely time consuming for poorly staffed government stations that "wasted in such work" much of the time.[75] The practice of converting everything into rupees further complicated the task. Colonel Colvile lamented that "it is difficult [...] for an officer to do the work of this district properly and at the same time keep the accounts of a large drapers' shop which is what each station practically is."[76] The transport of commodity currencies, especially cloth, from the coast to various government stations was expensive, lengthy, and invariably delayed for various reasons. The supply of the Uganda government stations required seven thousand loads of cloth per year and the journey of a caravan from the coast to Kampala took an average of eighty-three days.[77] The cost of transport included "everything connected with a caravan carrying stores or accompanying officers proceeding to Uganda, from recruiting fees to medicines, wages and every variety of caravan requirements."[78] Once goods had reached Kampala, they had to be carried to the other stations of the protectorate. The cost to carry one load of cloth or one box of rupees from Kampala to Masindi was ten rupees and to more distant places, twenty rupees. Given that the cost of one load of cloth in Kampala was 120 rupees, and that one box contained two thousand rupee coins, which was the equivalent of seventeen loads of cloth, carrying cloth was seventeen times more expensive than carrying rupees.[79]

The problems connected with the transport of cloth were among the chief reasons behind one of the most remarkable events in the history of early colonial Uganda: the Sudanese mutiny of 1897.[80] Arrears in wage payments for troops appear to have been a

[72] Contracts were established with commercial firms on the coast for the import of trade goods. See Berkeley to Foreign Office, Port Alice, 19 April 1896, FO 2/112 TNA.

[73] Berkeley to Earl of Kimberley, Port Alice, Ntebe [sic], 2 September 1895, FO 2/93 TNA; this practice was discontinued since 1 April 1896.

[74] Naanen, "Economy within an Economy," 428.

[75] Colvile to Cracknall, Port Alice, 25 March 1894, FO 107/21 TNA.

[76] Hardinge [quoting a private letter from Colvile] to Kimberley, Zanzibar, 28 July 1894, FO 107/21 TNA.

[77] After the opening of the railway it was reduced to four days; Sadler to Marquess of Lansdowne, Entebbe, 4 August 1903, FO 2/735 TNA; "Approximate Caravan Timetable," FO 2/57 TNA.

[78] Hardinge to Foreign Office, Zanzibar, 22 May 1895, FO 2/95 TNA.

[79] Ternan to Foreign Office, Kampala, 1 June 1899, FO 2/202 TNA.

[80] Robert M. Maxon, *East Africa: An Introductory History* (Morgantown: West Virginia University Press, 1986), 145–46; see also Mervyn F. Hill, *Permanent Way: The Story of the Uganda and Kenya Railway*

principal motivating factor.[81] Many laborers previously engaged in government porterage had in fact moved to railway construction. Owing to the lack of porters, the delivery of cloth to Uganda was delayed and this hindered the government's ability to obtain money to pay troops' wages. The mutiny made crystal clear the fragility of the administration in the control of the currency supply, and, ultimately, in maintaining the order in the colony.[82] It took two years and the employment of Indian troops to suppress the Sudanese mutiny, which finally led to the signing of the 1900 Uganda agreement.

One of the provisions of the agreement was the introduction of a hut tax to be paid by every married man. The tax was fixed at three rupees per annum, on every house, hut or habitation used as a dwelling place. Initially it could be paid in rupees or cowrie shells—at the rate of eight hundred cowries to the rupee—as well as produce or labor.[83] The commissioner for Uganda issued detailed circulars fixing the exact exchange rate in rupees at which various items could be accepted.[84] The introduction of the hut tax again made evident the inconvenience of collecting, counting, and storing African currencies. In 1900, the first year of tax collection, young elephants, zebras, pythons, barkcloth, ivory, goats, sheep, labor, and various types of produce were all brought in for tax payment, together with 11,000£ (1£=12,000 cowries) in cowries, that "were poured into Kampala by the million, and the piles and piles of bundles of twenty-thousand shells each were calculated to strike terror into the hearts of those officials who were unfortunate enough to have to count and store them."[85]

The situation was further complicated in 1901 when the colonial government of neighboring German East Africa issued a ban on the use of cowries as currency in their colony. The fear that Uganda could be swamped with cowries coming from German East Africa urged the British to make a rapid decision on what to do with cowrie shells in Uganda.[86] It was therefore decided that from the beginning of the 1901 financial year on April 1, cowries would cease to be accepted for the payment of taxes. Shortly afterwards, British officials refused to recognize shells as acceptable currency for government purposes.[87]

The British had then to make a decision on what to do with the cowries—a total of 165,000 rupees worth—that had been collected as tax during the previous year, which

(Nairobi: East African Railways and Harbours, 1949), 165–70; and Frederick Jackson, *Early Days in East Africa* (London: Edward Arnold, 1930), 305.

81 Harry Johnston, "Report on Uganda," FO/2/462 TNA.

82 Ternan to the Editor of the *Times*, Kampala, 27 March 1899, FO 2/201 TNA.

83 Michael W. Tuck, "'The Rupee Disease': Taxation, Authority and Social Conditions in Early Colonial Uganda," *International Journal of African Historical Studies* 39, 2 (2006), 224; Sadler to Lansdowne, Entebbe, 16 November 1902, FO 2/594 TNA.

84 Harry Johnston, "Instructions to Collectors of Districts in the Protectorate of Uganda," Entebbe, 16 March 1900, FO 2/297 TNA.

85 Albert Cook, *Uganda Memories 1897–1940* (Kampala: Uganda Society, 1945), 142.

86 Jackson to Clement, Entebbe, 15 June 1901, FO 2/956 TNA.

87 Sadler to Marquess of Lansdowne, Entebbe, 16 November 1902, FO 2/594 TNA.

filled every government store "up to the roof."[88] Some of the cowries were sold at a reduced value to African and Indian traders for use in the Nile region and in the Congo Free State.[89] Shells were also used to pay part of the salaries of the king, chiefs, and laborers. As one official stated in 1901, "Where the shoe pinches us is that we can't justly issue them in part payment of the King's and Chief's salaries, or in payment of local labour, &c., and then refuse to take them back when offered."[90] In June 1901 it was suggested that the cowries be sent to India where they were still used as currency.[91] In the end, however, this revealed itself to be impractical, and the administration took the drastic decision to burn the cowries and sell the lime so obtained.[92] The lime produced was partly used to build the district commissioner's house in Kampala, which thenceforth became known as *enyumba y'ensimbi*, "the house of shells" or "the house of money."[93] Cowries could no longer be imported into the protectorate after July 8, 1901.[94]

British hostility to cowries appears quite strong, especially when compared to attitudes in the West African colonies, where cowries had a wider circulation. There, the British passed decrees against the import of cowries only in 1904. And in the French territories, it was only in 1907 that public treasuries were prohibited from accepting cowries.[95] Given that the Indian rupee and pice circulated in Uganda only between narrow limits at the time of the cowrie ban, the only explanation can be found in the trust that the government had in its own economic policies for the protectorate. The British were convinced that copper pice was the proper small denomination coin to replace the "ubiquitous cowrie," and that cowries would soon be abandoned through the mediation of local institutions.[96] Among these institutions, the Lukiiko had a prominent role in enforcing the ban. Before the colonial period this body advised the *kabaka*. After the 1900 Uganda Agreement, the Lukiiko became a legislature, a court of appeal, and an advisory body for British officials who came there to explain their plans and policies.[97]

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[88] Jackson to Clement, Entebbe, 15 June 1901, FO 2/956 TNA.

[89] Johnston to Foreign Office, Eldama Ravine, 18 May 1901, FO 2/956 TNA.

[90] Jackson to Clement, Entebbe, 15 June 1901, FO 2/956 TNA.

[91] Special Commissioner to Jackson, Suez, 6 June 1901, A/9/1 Uganda National Archives (hereafter UNA); "Memorandum on the Destruction of Govt. Stock of simbis or kauris," 22 August 1902, A/9/1 UNA.

[92] Jackson to Clement, Entebbe, 15 June 1901, FO 2/956 TNA.

[93] Albert Cook, "Further Memories," *Uganda Journal* 2, 2 (1934), 111.

[94] "Notice," 8 July 1901, The Official Gazette of the East Africa and Uganda Protectorates, CO 452/2 TNA.

[95] See Ofonagoro, "From Traditional to British Currency," 632: Hogendorn and Johnson, *The Shell Money*, 79, 150.

[96] Johnston to Foreign Office, Eldama Ravine, 18 May 1901, FO 2/956 TNA; Kestens to Matthews, Budaka, 19 October 1901, UGA 5 Mill Hill Missionaries' Archives, Freshfield (hereafter MHA).

[97] For an account of the establishment of the Lukiiko in the framework of the discussions between the British and the Baganda, see Donald A. Low and Robert Cranford Pratt, *Buganda and British Overrule, 1900–1955* (Oxford: Oxford University Press, 1960), 73–74. On the Lukiiko from a legal point of view, see Henry F. Morris and James S. Read, *Indirect Rule and the Search for Justice: Essays in East African Legal*

During the meeting of July 2, 1901, the Lukiiko announced that taxes could be paid only in rupees and that those who wanted to acquire rupees should work for them, specifying "We do not want shells, we wish to burn them. We are willing to receive sheep and goats but not shells."[98] A few days later, though, people were reassured that "those who have a difficulty about getting rupees, must not be frightened. In place of the shells, which are going to be burned, mapesa (pice) are being brought from the coast and will be put in circulation."[99]

The opening of the Uganda railway facilitated the transport and import of copper pice, which, for British officials, was the proper small denomination coin to replace the cowrie.[100] At the Lukiiko meeting of September 19, 1901, Apolo Kagwa, one of the regents, communicated to the chiefs that he had reported to District Commissioner Tomkins the problems that the Baganda were experiencing in obtaining rupees to pay the hut tax. He reported that he had suggested to the district commissioner that things would be much easier if only people could use shells. Tomkins replied that people did not have to worry, because before long a lot of pice was going to be put into circulation.[101] As promised, 640,000 copper pice arrived in Kampala on October 1, 1901 and was circulated at 64 pice to the rupee.[102] Tomkins asked the chiefs to instruct their people on the value of pice and to convey that it was preferable to shells. On the same day, the district commissioner found a man selling rupees in the market outside the *baraza* and personally instructed him on the new coin.[103] On March 11, 1902 the Lukiiko solemnly declared, "The shells are no longer of any value in Buganda."[104]

Coercion, however, was not successful in obliging people to abandon their currencies for a new one.[105] It was estimated (perhaps underestimated) that in 1902 there were still roughly 20,000£ worth of shells, or about three hundred million shells in circulation. In spite of the ban, people everywhere continued to use cowries in their daily transactions.[106] The copper pice proved to not be a suitable replacement for cowries, as "pice fail[ed] to do for petty purchases [...]."[107] With an exchange rate of one to fifteen

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History (Oxford: Clarendon Press, 1972), 15–19; on the "sub-imperial" role of the Baganda, see Andrew D. Roberts, "The Sub-Imperialism of the Baganda," *Journal of African History* 3, 3 (1960), 435–50.

98 Nsambya Diary, 2 July 1901, UGA 5 MHA.

99 Nsambya Diary, 5 July 1901, UGA 5 MHA.

100 Johnston to Foreign Office, Eldama Ravine, 18 May 1901, FO 2/956 TNA; Kestens to Matthews, Budaka, 19 October 1901, UGA 5 MHA.

101 Nsambya Diary, 6 September 1901, UGA 5 MHA. On 8 October, Apolo lamented again the same problems; see Nsambya Diary, 8 October 1901, UGA 5 MHA.

102 Nsambya Diary, 1 October 1901, UGA 5 MHA; Cook, *Uganda Memories*, 155.

103 Nsambya Diary, 15 October 1901, UGA 5 MHA.

104 Nsambya Diary, 11 March 1902, UGA 5 MHA.

105 Naanen, "Economy within an Economy," 427.

106 Harold B. Thomas and Robert Scott, *Uganda* (London: Oxford University Press, 1935), 230–31.

107 George Wilson, "Report on Kauri Shell Currency," Fort Portal, 9 March 1903, A/12/3 UNA.

against the cowrie, the copper pice was too large a denomination for daily requirements, as in the local markets food was displayed in heaps corresponding to the values of one, five, and ten shells.[108] Cowries were thus tailored to local wages and prices, and copper pice was not. Pice could simply not compete with cowries in Uganda. The ban was therefore impractical and had to be semi-officially eased. A week after the Lukiiko had declared that cowries were of no more value in Uganda, Tomkins caught a Zanzibari buying seed oil for a few shells on the market. Instead of punishing him, the district commissioner told him that people could make their small purchases with shells.[109]

The ban not only failed to limit the use of cowries, it even favored the stabilization of its value against the rupee, as Table 1 shows. As similar cases in West Africa reveal, this was the result of the growing gap between demand and supply that was created by the colonial powers' attempts to limit the circulation of African currencies.[110]

Year	Number of cowries to 1 rupee	Source
1893	300	FO 107/18 TNA
1894–95	200	FO 107/18 TNA
1900	800	FO 2/297 TNA
1901	950	UGA 5 MHA
1902	1,000	FO 2/956 TNA
1904	1,000	FO 2/956 TNA
1910	300	A/46/331 UNA

Table 1: Exchange rates of the cowrie against the rupee for selected years.

Given that the value of the cowrie against the rupee became stable and, most importantly, that no other viable option was available, cowries remained the only currency that could be used in daily transactions. Shells were used to buy every sort of thing and in the market in Kampala traders continued to pay market fees in the form of one shell for every ten collected.[111] Colonial coins, i.e., rupees, were also used for trade purposes, but almost

[108] Sadler to Marquess of Lansdowne, Entebbe, 16 November 1902, FO 2/594 TNA. To solve the problem of small change, Colonel Sadler suggested the introduction of pies, i.e., one-twelfth of an anna; a small amount was imported into Uganda, but it was not put into circulation, owing to the pending decision on the introduction of cents; Sadler to Foreign Office, Entebbe, 18 August 1902, FO 2/956 TNA.

[109] Nsambya Diary, 18 March 1902, UGA 5 MHA; Tuck, "The Rupee Disease," 232.

[110] Naanen, "Economy within an Economy," 432; Johnson and Hogendorn, *The Shell Money*, 151; Hopkins, *An Economic History*, 206.

[111] To give only a few examples: a rosary was priced 200 shells, a chicken 50 shells, the vaccination against smallpox 1,000 shells; see Nsambya Diary, various entries, UGA 5 MHA.

exclusively to purchase valuable items such as cattle, hides, and good quality barkcloth.[112] In the early colonial period, the rupee became the currency that mediated the economic exchanges between the colonizers and the colonized, as it was used in the payment of taxes and wages. However, in their daily transactions, Africans "adhere[d] doggedly to the shell currency."[113] This reflected the limited reach of the colonial state at this stage, as well as the incompleteness of the colonial currency. Colonial money generated gaps that were easily filled by existing currencies, creating a mixed monetary system into which coins and commodity currencies were used and, eventually, correlated with one other. This clearly emerges from the records of the Lukiiko.[114] With few parallels in other areas of Africa in this period, these records provide a unique insight not only into the ways in which a local African institution contributed to the implementation of colonial policies, but also into how different forms of money were used in the payment of court fees, fines, taxes, wages, and bridewealth.

Multiple Currencies in the Transition: Fines, Wages, Taxes, and Bridewealth Payments

Money is used to territorialize particular places, such as the colonial space, but a variety of individuals and institutions are necessary in the development of currency consolidation.[115] Currency policies for the British protectorates were discussed and designed by the Treasury and the Foreign Office in London, as well as by local administrators in East Africa, but to circulate on the ground, coins had to be known and accepted.[116] In the early colonial period, access to different forms of money was connected to social identities that were redefined and reinforced by the introduction of colonial money. In the transition from cowries to coins, the use of colonial or commodity currencies reflected the existence of different power relations and economic spheres of exchange that could overlap, but did not replace each other. Colonial money was initially used only by some social and economic groups; e.g., troops, Indian traders, and chiefs.[117] Being paid and paying in rupees became a marker of social status, which was reflected in the ways in which the Lukiiko set fees and fines.

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[112] In 1908 the administration fixed the price of barkcloth: good quality barkcloth put on sale in town was priced at 1.80-4 rupees; the price for rough barkcloth bought in the countryside was however fixed in shells, i.e., 500; entry of 27 August 1908, Lukiiko Records, typescript deposited at the School of Oriental and African Studies, London. I am grateful to Wayne Dooling and Rhiannon Stephens for providing a copy of these records.

[113] Sadler to Lansdowne, "General Report on Taxation in Uganda," Entebbe, 16 November 1902, FO 2/594 TNA.

[114] On the Lukiiko records, see Michael Tuck and John A. Rowe, "Phoenix from the Ashes: Rediscovery of the Lost Lukiiko Archives," *History in Africa* 32 (2005), 403–14.

[115] Gilbert, "Common Cents," 372, 377.

[116] Walter T. Newlyn, *Money in an African Context* (Oxford: Oxford University Press, 1967), 1.

[117] Colvile to Diplomatic Agent and Consul General, Port Alice, 21 August 1894, T/1/9082B TNA; Berkeley to Marquess of Salisbury, Kampala, 16 May 1898, FO 2/155 TNA; Sadler to Foreign Office, Entebbe, 14 August 1902, FO 2/956 TNA.

Fines could be levied in shells, rupees, cloth, cattle, goats, or sheep. From 1901 to 1905, out of a total of fifty-one cases tried by the Lukiiko, and recorded by the missionaries in Nsambya, sixteen were fined in shells, twenty-three in rupees, ten in cattle, goats, and sheep, one in cloth, and one in barkcloth and shells.[118] There were days in which people were fined interchangeably in rupees or shells. On September 9, 1901, for instance, of the two cases tried, one man was fined 10,000 shells for stealing a sheep and a goat, whereas another man was fined four rupees for a drunken row.[119] When taking into consideration the kind of offense and the people charged, some general trends on which currency was used and in what circumstances can be identified. Fines in shells were generally levied on peasants, whereas those in rupees on chiefs. *Bakopi*[120] were fined in shells for taking away a woman (10,000), procuring abortion (10,000), beating a man (15,000; 30,000), taking part to a drunken row (3,000), ill treating a man (5,000), etc. Every person who did not get a vaccination against smallpox was fined one thousand shells.[121] Given that the current exchange rate with the rupee was one to 1,000, these were definitely sums that could be easily converted into rupees. The fact that the fine was set in shells rather that in rupees suggests that this was the currency in which the *bakopi* could actually pay, despite the ban introduced in 1901. The payment of damages to peasants was also settled in shells. An owner of a plot that was damaged by the herd of his neighbor received a reparation payment of 100 shells for every cow that had entered into his plot.[122]

Fines were set in rupees, however, when the amount was too high to be easily settled in shells: a case of bigamy was settled with a fine of four hundred rupees, (the equivalent of 400,000 shells). Chiefs also settled their fines in rupees, or, alternatively, cattle.[123] To give a few examples, one chief was fined thirty cows for a murder case, and another one was fined fifty rupees for allowing his men to hunt elephants. Felikisi of Buddu was fined ninety cows for hunting and killing elephants, three chiefs were fined fifteen rupees each for tying up two policemen, a Bunyoro chief had to pay three head of cattle for circumcising a Protestant boy, and Sebuta was fined two cows for insulting the Lukiiko.[124] The records show only one instance of a chief who was fined in shells (5,000) for "causing a man being beaten while collecting taxes."[125] As we have seen above, in

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[118] These data refer to the cases recorded by the missionaries, who sent Petero, probably a Ganda convert, to assist and take notes during the Lukiiko meetings. See Tuck and Rowe, "Phoenix from the Ashes," 409. The cases reported here are only those that were settled with a fine payment. Many others were sentenced with imprisonment or corporal punishments.

[119] Nsambya Diary, 9 September 1901, UGA 5 MHA.

[120] In Buganda the *bakopi* were the peasants. See J.A. Atanda, "The Bakopi in the Kingdom of Buganda, 1900–1912: An Analysis of the Condition of the Peasant Class in the Early Colonial Period," *Uganda Journal* 33, 2 (1969), 151–62.

[121] Nsambya Diary, 3 March 1902, UGA 5 MHA.

[122] Lukiiko Record Books, 6 April 1904, UGA 9 MHA.

[123] Nsambya Diary, 9 July 1901, UGA 5 MHA.

[124] Nsambya Diary, 19 June 1901; 15 October 1901; 3 November 1902; 25 April 1904, UGA 5 MHA.

[125] Nsambya Diary, 3 March 1902, UGA 5 MHA.

precolonial Buganda chiefs paid taxes to the *kabaka* in cattle, and cattle also had legal functions, as they were used in the compensation of injuries. With the establishment of colonial rule, the British paid chiefs' salaries in rupees, as this was the currency that had to mediate the economic exchanges between the government and its subjects. For the chiefs, being paid in rupees became a marker of status, together with the possession of cattle. This was reflected in the combination of currencies in which the Lukiiko levied fines.[126]

People working for the government, being paid in colonial money, were also fined in rupees.[127] Forest keepers, for instance, were paid three rupees every month, while policemen earned fifteen rupees; building work supervisors in Kampala were paid twenty rupees, and interpreters fifty rupees.[128] Temporary and unskilled labor, however continued to be paid in shells. One hundred shells was the average daily wage for unskilled laborers. The Mill Hill missionaries employed bricklayers for the building of the church at Namirembe at the rate of one hundred shells per day and paid supervisors two hundred shells. Messengers were also always paid in shells.[129] Rupees were therefore used by the government to pay skilled, monthly labor, whereas cowries continued to be used in the payment of temporary, unskilled labor.

Sometimes, wages could be set in rupees, but paid in cowries or cloth, such as in the case of caravan porters. The wage for porters carrying goods for the government from the coast to Uganda was fixed in rupees. Porters received five rupees per month with extra rations, whereas those carrying loads to Unyoro or the Nile region could even receive ten rupees per month.[130] Even if the rate of pay was fixed in rupees, porters asked and obtained payment in cloth and shells.[131] Porters had strong negotiating power in discussing terms of employment, including the currency in which they were paid.[132] In 1905 the porters' wage was fixed in cowries and set by the Lukiiko at one hundred cowries per day—about three thousand shells or three rupees per month. The district commissioner, Tomkins, had suggested this reduction on the grounds that wages had increased too much and needed to be controlled.[133] This confirms that, despite the ban on cowries, daily labor continued to be paid in shells, even by the government. After the opening of the railway,

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126 Hanson, *Landed Obligations*, 153.

127 Some policemen in Kampala were fined 12 rupees for not having beaten the drum for the curfew; another policeman was fined 2 rupees because he was found drunk, etc., Nsambya Diary, 5 February 1902; 24 January 1902, UGA 5 MHA.

128 24 April 1904, UGA 2 MHA; Nsambya Diary, 9 July 1901; 17 January 1902, UGA 5 MHA.

129 Nsambya Diary, 29 May 1901, UGA 5 MHA.

130 Johnston to Marquess of Lansdowne, Eldama Ravine, 18 May 1901, FO 2/462 TNA.

131 Kestens to Matthews, Iganga, 7 December 1901, UGA 5 MHA.

132 On porters, see Robert J. Cummings, "Aspects of Human Porterage with Special Reference to the Akamba of Kenya: Towards an Economic History, 1820–1920" (Ph.D. thesis, University of California, 1975); Stephen J. Rockel, *Carriers of Culture: Labour on the Road in Nineteenth-Century East Africa*, (Portsmouth, NH: Heinemann, 2006).

133 Lukiiko Record Books, 17 May 1905, UGA 9 MHA; the law was approved by the Lukiiko on 16 June 1905.

porters were no longer employed for the long journey from the coast to Uganda. However, they were still greatly needed to carry goods from railway stations to other places, and were often employed for short periods. Given that copper pice was not popular, shells were therefore used by traders and by the government to pay porters for short periods of work such as daily labor.

Despite the 1901 ban on cowries, even taxes continued to be paid in shells. At the end of the 1909 tax collection, Chief Mukasa Ssekiboobo wrote to the treasurer in Entebbe asking what to do with the 150,000 shells that his *bakopi* had brought in for tax payment.[134] As we have seen in the first section, taxation was already an institution in Buganda before colonization. The introduction of the new hut tax (which, after 1902 had to be paid in rupees and on an annual basis) forced some people into wage work and migrant labor.[135] However, in order to meet cash requirements, many Africans tended to resort to the sale of cattle, which remained the preferred way of storing wealth, rather than to wage labor. When the end of tax collecting time approached (the end of the financial year was March 31), cattle suddenly became very cheap on local markets, where people sold cows to obtain rupees to pay the hut tax. In these periods, people sold cattle exclusively for rupees and never for cloth, as was common in other parts of the year. Missionaries reported that this was limited to tax collection time, and "As soon as the time of paying the musolo [tax] has passed, they will not sell them anymore."[136] Contrary to the precolonial period, when the payment of tributes was a way to stimulate production, the payment of taxes in the colonial period could result in the disposal of accumulated wealth.

Cowries maintained their monetary value for the payment of labor, fines, and taxes, but it is significant to note that the colonial government's monetary policies also modified the functions of cowries in bridewealth negotiations. The payment of bridewealth in Buganda had both social and legal functions. With it, the patrilineage of the bride and of the bridegroom became part of a common economic and social relationship. In the bridewealth payment there was the mutually accepted understanding that, if the marriage should fail, a reasonably equivalent mix of goods had to be repaid to the lineage of the husband.[137] The payment of bridewealth was therefore a way to strengthen marriage bonds and to attribute legal value to the marriage. In precolonial times, the amount of bridewealth was determined by an agreement between the two parties concerned. Any sum, from one to ten goats, could be asked for, as well as pots of beer and several barkcloth.[138] In the nineteenth century, cowries became an important component of bridewealth payments.[139] Customarily, cowries paid by the bridegroom were partially given back to his family after

[134] H. Mukasa Sekibobo to Treasurer, Kyagwe Mukono, 25 July 1909, A/45-291 UNA.

[135] Michael Twaddle, *Kakungulu and the Creation of Uganda, 1868–1928* (Oxford: James Currey, 1993), 176; Hanson, *Landed Obligations*, 155.

[136] Biermans to Matthews, Buvuma, 12 October 1901, UGA 5 MHA.

[137] Rhiannon Stephens, "Lineage and Society in Precolonial Uganda," *Journal of African History* 50, 2 (2009), 213.

[138] Mair, *An African People*, 82.

[139] Roscoe, *The Baganda*, 90.

the marriage, and partly redistributed among the bride's relatives.[140] In many respects, this was not a payment in a strict sense, but rather a demonstration to the bride's family that the groom was wealthy enough to marry their daughter.[141] According to Bakaluba, the amount of bridewealth in the 1880s was between one and four thousand cowries and in this period cowries also had strong symbolic value in the marriage ceremony.[142]

It is difficult to reconstruct the evolution of bridewealth payments in a systematic way, but some information can nonetheless be obtained from the diaries of missionaries in Nsambya. When parties had to settle a divorce case, which, under customary law, required the restitution of bridewealth, missionaries recorded the bridewealth that had been previously paid. The first bridewealth recorded was paid in 1890, and consisted of two pieces of barkcloth, three *bita* [a unit of measurement for liquids] of *mwenge* [banana beer] and one chicken.[143] In subsequent records, cowries, from 150 to 3,000, were almost invariably part of the payment, together with beer, barkcloth, chickens, cows, salt, and goats.[144]

With the beginning of colonial rule and the intervention of missionaries, the composition and rate of bridewealth was fixed by the Lukiiko. Missionary societies were largely against bridewealth as they saw it as a mere commercial transaction and interpreted it as a "selling of the girls."[145] At the same time, they wanted to reduce customary marriages by limiting the number of wives for which a man could reasonably pay bridewealth.[146] In 1899, the Lukiiko fixed the cost of bridewealth for the *bakopi* at ten thousand shells, which included: banana beer worth 1,000 shells, barkcloth worth 1,000 shells, salt worth one thousand shells, goats worth two thousand shells and five thousand cowries.[147] Ten thousand shells was in fact one "load" of cowries, which explains why bridewealth is also called *òmùtwâlo* in present-day Buganda, which means to "take" or "carry."[148] Besides fixing the amount of bridewealth, the 1899 bridewealth law introduced a new way of evaluating the goods that constituted bridewealth. In the past, cowries were only a part, sometimes small, of the payment. But from 1899 every item forming the

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140 Ibid., 88.

141 E. Bakaluba, *Buganda N'ensimba Zaayo*, 6–7.

142 Ibid.

143 Nsambya Diary, 7 June 1901, UGA 5 MHA.

144 Nsambya Diary, various entries, UGA 5 MHA.

145 Nakanyike B. Musisi, "Transformations of Baganda Women: From the Earliest Times to the Demise of the Kingdom in 1966" (Ph.D. thesis, University of Toronto, 1995), 214.

146 For a similar case, see Jane Guyer, "The Value of Beti Bridewealth," in Guyer, ed., *Money Matters*, 114.

147 Nsambya Diary, 10 June 1901, UGA 5 MHA.

148 Nsambya Diary, 8 October 1901, UGA 5 MHA; see also Rhiannon Stephens, *A History of African Motherhood: The Case of Uganda 700–1900* (Cambridge: Cambridge University Press, 2013), 85. According to Roscoe, 10,000 was often spoken of as a *mutwalo*, because it was the number of cowries which a man could carry. Roscoe, *The Baganda*, 41.

bridewealth was evaluated against cowries, making shells a unit of account that had not existed previously.

According to some scholars, whereas in the past, the amount of bridewealth was negotiated between the two families, the new regulation of bridewealth made it difficult for young men to afford to marry while it increased the control of wealthy men over their wives.[149] However, in order to obtain ten thousand shells, a man had to perform a total of one hundred days of unskilled labor. This does not seem to be an extremely high rate, especially if compared to similar cases elsewhere.[150] At the same time, when looking at the pre-1899 payments, especially when cows formed part of bridewealth, the amounts seem not to diverge significantly from ten thousand shells, and sometimes were even higher.[151] Looking at the divorce cases settled by missionaries, there is one in which a man received fifteen thousand shells on account of his "runaway wife whom he caught misbehaving herself in the capital."[152] Another divorce case was settled with the payment of ten thousand shells to a man by his former wife's family. These compensations reflected the bridewealth that had been paid before 1901.[153]

In 1901, after the ban on cowries, the amount of bridewealth was fixed for the *bakopi* at ten rupees. In 1903 the Lukiiko fixed different bridewealth rates for chiefs: fifteen rupees for small chiefs, thirty rupees for chiefs, and forty rupees and a cow for chiefs who were heads of provinces.[154] We do not have precise evidence, but it is reasonable to assume that even if the Lukiiko fixed the payment of bridewealth in rupees, cowries continued to be an important component of bridewealth payments, as well as of marriage ceremonies.[155] During the wedding ceremony, the bride received shells from her husband before entering his house, before sitting down, before eating his food, and before going to bed; this proceeding was considered to be a test of their mutual affection for one another.[156]

Cowries and rupees formed part of a monetary system in which different regimes and concepts of value started to converge without replacing each other. With the increased variety of currencies produced by the imposition of colonial rule, wealth acquired new and

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149 Grace Bantebya Kyomuhendo and Marjorie Keniston Mcintosh, *Women, Work, and Domestic Virtue in Uganda, 1900–1923* (Oxford: James Currey, 2006), 70.

150 See, for example, those relating to French Congo in Georges Dupré, *Un ordre et sa destruction* (Paris: Edition de l'ORSTOM, 1982), 335–38.

151 For instance, in 1901 a bridewealth of seven cows was paid, and another one of 2,000 shells and one cow; see 2 September 1901, 28 May 1901; 7 June 1901, UGA 5 MHA.

152 Nsambya Diary, 2 December 1901, UGA 5 MHA.

153 Nsambya Diary, 21 February 1902, UGA 5 MHA.

154 Lukiiko Record Books, 11 May 1903, UGA 9 MHA; in 1908 the missionaries asked to raise the rate to fifteen rupees, but the Lukiiko refused.

155 Similar cases are reported in West Africa, such as in the Nupe country. See S.F. Nadel, "A Ritual Currency in Nigeria—a Result of Culture Contact," *Africa* 3 (1937), 488–89; see also Hogendorn and Johnson, *The Shell Money*, 152.

156 Roscoe, *The Baganda*, 80.

greater pluralities. Fines and reparations, for instance, could be also settled with a combination of currencies, according to the composition of a person's wealth.

The following case was tried and fined by the Lukiiko in 1904:

> Wednesday: a wife and a husband had a quarrel (a not altogether uncommon occurrence in this vale of tears) whereupon the man broke his wife's hand. The wife went to Kisingiri, who ordered the man to give her 5 rupees. The woman went off with her 5 rupees to her baganda. The man however wanted his wife and went to her relations for a visit, but he did not meet with his better half. He most imprudently hinted some dark insinuations as to an impending disaster for them and by a curious coincidence, the night following fire was set to the house. The lukiko asked the man as to his worldly possessions. The reply was: 7 mbugo [barkcloth] and 6000 shells. Lukiko condemned him to give all that for purpose of having a new house built.[157]

This combination became evident also from the ways in which people stored wealth. When Chief Kamugoro of Buddu died in 1902, he left 30 cows, 300,000 shells, 5 loads of cloth and 10 goats.[158] In 1903, another chief left 310 cows, 200 goats, 100 garments, 4,000 rupees in cash and 2,000 rupees in the bank.[159]

There were some transactions in which only cowries could be used, such as in a marriage ceremony or the payment of market fees. In other payments, cowries and rupees could be used interchangeably, which very likely allowed for the negotiation of values. For instance, one individual requested a loan of ten thousand shells over four months from some missionaries and received nine rupees.[160] Another, who had contracted a debt of forty thousand shells repaid it with one hundred rupees.[161]

On June 1, 1904, the day of the consecration of the new cathedral at Namirembe, the offertory collection reflected the currencies and items to which value was attached. In it, were collected 1,523 rupees, 90,000 shells, 36 bullocks and cows, 23 goats, 31 fowls and 154 eggs.[162]

The increased variety and mobility of currencies generated by the imposition of colonial rule did not result in the adoption of outside notions of wealth, but rather became a critical instrument to negotiate values and create wealth in a period of change. In the early colonial period cowries continued to circulate because they were a convenient currency in a society where incomes and prices were low, and remained in circulation even more when their value was stabilized by the 1901 ban. Colonial money only mediated certain kinds of exchanges and the rupee, being used to pay salaries and taxes, basically became the

157 Lukiiko Record Books, 7 October 1904, UGA 9 MHA.

158 The Lukiiko was asked to settle the distribution of his things. Nsambya Diary, 17 February 1902, UGA 5 MHA.

159 Lukiiko Record Books, 2 February 1903, UGA 9 MHA.

160 Nsambya Diary, 9 December 1901, UGA 5 MHA.

161 Nsambya Diary, 10 February 1902, UGA 5 MHA.

162 Cook, *Uganda Memories*, 199.

currency that "linked the productive relationships of the Baganda with British expectations of colonial productivity."[163]

Compared to coins, shells also had some practical advantages: they could be easily counted in multiples of ten, as they were put on strings of one hundred shells. As we have seen above, using strings of cowries was a device to make larger currency denominations and to facilitate trade. The British failed to understand this aspect correctly, as they were convinced that putting cowries on strings was the only way to carry currency for people without clothes and pockets. Based on such understanding of local monetary practices, in 1902 British officials began to discuss how to redesign the monetary system of British East Africa.

A Hole through the King's Head: The Introduction of Cents

Currency policies for the colonies were designed according to English monetary traditions and conventions. However, as the case of Uganda shows, local monetary policies often came into conflict with these foreign traditions and had to be adapted to local specificities. When the discussion on how to reform East Africa's monetary system began in 1902, one of the first solutions proposed to the currency problems of British East Africa was to make the sovereign the new legal tender. This was seen by some officials in the Treasury in London, as well as by white settlers in the East Africa Protectorate, as a useful development to promote commercial relationships in East Africa with Great Britain and South Africa. The promoters of the sovereign also claimed that in all other British possessions this was the currency in use, and that there was no reason to make the East African protectorates an exception, and, at the same time, leave seigniorage rights to India. This proposal was, however, rejected, owing to the immediate inconveniences that a change from the familiar Indian rupee to the sovereign would have caused in trade and especially in the local acceptance of money.[164]

The main focus of the discussion then became the introduction of new subsidiary coins that could replace cowries in Uganda, as well as solve the problems created by the fluctuating value of the Indian copper pice in the East Africa Protectorate. Initially, Colonel Sadler had advocated the introduction of two different monetary systems, one for the East Africa Protectorate and one for Uganda. But his proposal was rejected on the grounds that the commercial firms operating in Uganda were all branches of Mombasa companies and that all trade from Uganda went through the port of Mombasa.[165] It was noted that "the two protectorates [were] for the purposes of currency virtually one country."[166] To solve the currency problems of both protectorates, Bowring, the treasurer in Mombasa, proposed the introduction of a decimal system. Having had previous experience in Ceylon, where the Indian rupee and decimal subsidiary coins were effectively used, Bowring, supported by Eliot, commissioner for the East Africa

163 Hanson, *Landed Obligations*, 150.

164 London, 10 September 1903, FO/2/956, TNA.

165 Bowring to Foreign Office, Mombasa, 8 June 1903, FO 2/956 TNA.

166 Gray to Foreign Office, London, 12 January 1904, FO 2/956 TNA.

Protectorate, proposed the introduction of the subdivision of the Indian rupee into cents.[167] Sub-commissioners in the various districts of the two protectorates, as well as key representatives of the Indian trade community and of local banks, were consulted on the plan to introduce cents. Small Indian traders declared that they were against the subdivision of the rupee into cents, because, in their opinion, it would have revolutionized trade to such an extent as to ruin it.[168] White settlers in the East Africa Protectorate were also against cents, and reiterated that they preferred to introduce the sovereign, as it would facilitate commercial relationships with Great Britain.[169]

Despite the general opposition of both the settlers and the Indian community, cents were introduced. Colonial officers, who were convinced that the introduction of cents was the only way to solve the currency problems of the two protectorates, prevailed. The scheme initially proposed was the introduction of two silver coins valued at fifty and twenty-five cents, as well as nickel-bronze or aluminum coins in denominations of ten, five, and one cents, a half cent, and a one-quarter cent, borrowing from the model of the Ceylon decimal system. The coin with the smallest value, the one-quarter cent, was seen as a possible substitute for cowries in Uganda. However, Colonel Sadler strongly opposed the introduction of this denomination. According to him, there were no words in Luganda or in the other local languages to say "one quarter" as people, accustomed to using cowries, counted in tens and multiple of tens.[170] He noted that changing this system to a new one based on a division by fours would have contravened existing monetary practices to such an extent as to hinder commerce and the possibility of trade in the new currency.[171] Furthermore, Sadler believed that a one-quarter cent coin was still not small enough a denomination to replace the cowrie. He pointed out that if the government really wanted to "oust the cowrie from the popular estimation in which it is held," it had to introduce a coin with the same exact value, which, at current exchange rates, was one-tenth of a cent.[172] Sadler also noted that in Uganda the average wage rate was one hundred shells per day and he saw in this another good reason to introduce coins, which were multiples of tens.[173]

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[167] Entebbe, 16 March 1902, "Memorandum by G.D. Smith, Chief Accountant," FO 2/956 TNA; Charles Bowring, "Memo on the Question of introducing into East Africa and Uganda the Ceylon Central System of Subsidiary Coinage," Mombasa, 24 June 1903, FO 2/956 TNA.

[168] Telegram from Chamber of Commerce, Mombasa, 9 March 1903, FO 2/956 TNA.

[169] A debate on the pros and cons of the currency change was also hosted on the pages of the newly established weekly newspaper, *The East African Standard*, that became the voice of European settlers in the East Africa Protectorate.

[170] Sadler to Foreign Office, Entebbe, 17 March 1904, FO 2/956 TNA.

[171] Ibid. This problem involved also twenty-five cent coins, but Sadler was more concerned with one-quarter cent coins, as the former was a too high denomination to be used by "poorer natives."

[172] Sadler to Foreign Office, Entebbe, 17 March 1904, FO 2/956 TNA. Administrators of the East Africa Protectorate, however, objected that no coin of lower value than one cent was needed in their protectorate, as trade relations with the coast as well as the development of plantation labor, had made people familiar with coins and raised prices and incomes in comparison with Uganda.

[173] Ibid.

The Treasury accepted Sadler's recommendations, and the new schedule introduced a one–tenth cent coin instead of a one-quarter cent coin. Bowring agreed with Sadler on the introduction of a one-tenth cent piece, and went on to state that small denomination coins should be minted with a hole, as

> It was the custom to carry the cowries about strung together [...] it might be worthy of consideration whether it would be not convenient to have the half cent piece struck with a hole through the middle on the principle of the Chinese "Cash"—to enable the natives to carry them about in the same manner as they were accustomed to do with the cowries.[174]

Bowring's suggestion was considered reasonable, but at the same time it caused some embarrassment, as making a hole in the king's head was politically undesirable. Nonetheless, it was decided that all small denomination coins (ten, five, one and one–tenth cent pieces) had to be minted with a hole in them in order to facilitate transport. The problem of the hole in the king's head was solved by replacing the monarch's effigy with a crown.[175] The fact that the Treasury decided to replace the king's head on small denomination coins in favor of the hole reveals the priority given to local ways of handling money in the design of the new monetary system.

Figure 1: East Africa and Uganda Protectorates one-cent coins. © Trustees of the British Museum.

The 1905 East Africa and Uganda (Currency) Order in Council introduced the subdivision of the rupee into cents, fixed the exchange rate of the Indian rupee to the pound sterling at fifteen rupees, and also established the British gold sovereign as legal

[174] Charles Bowring, "Memo on the Question of introducing into East Africa and Uganda the Ceylon Cental System of Subsidiary Coinage," Mombasa, 24 June 1903, FO 2/956 TNA. Gray also suggested to bore five and ten cent coins. See Gray to Foreign Office, London, 3 December 1904, FO 2/956 TNA.

[175] Eliot to Foreign Office, 8 September 1903, FO 2/956 TNA.

tender. A Currency Board of Commissioners was created in Mombasa to deal with currency matters and was officially appointed on April 1, 1906.[176]

The decision to introduce cents in Uganda is significant for various reasons. The decimal system, while common today all over the world, was not very much in use at the beginning of the twentieth century, and certainly not in Great Britain and her colonies.[177] In the nineteenth century, among British dominions and colonies, only Mauritius (in 1852), Canada (1858), Hong Kong (1863) and Ceylon (1870), adopted a decimal system.[178] This makes the decision to introduce cents in connection with the existing system based on cowries even more remarkable. Even if the common practice was to apply in the colonies what Tschoegl calls "coercive isomorphism," or the replacement of indigenous monetary practices with systems modeled on home practice, the case of Uganda is a clear exception.[179]

As mentioned above, it is remarkable that, despite the great opposition from the white settlers, cents were nonetheless introduced.[180] One of the reasons for settlers' complaint was that the Treasury, the Foreign Office, and local colonial authorities decided that the convertibility to shells was preferable to the convertibility to existing coins in circulation, i.e., annas and pice.[181] On April 8, 1905, *The East African Standard*, complaining about the introduction of a coin with the value of one cowrie, published an article titled:

"Our Pauper Protectorate. The good old cowrie days revived. A thousand coins for a rupee."[182]

The relation of the rupee to its new subsidiary coins was clearly created according to the relation of the rupee with the cowrie. One rupee corresponded to ten *kiasa* (1,000 cowries), fifty cents corresponded to five hundred shells, twenty-five cents to two hundred and fifty shells, ten cents to one *kiasa* (one hundred shells), five cents to fifty shells, one

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176 See art. 13 in the 1905 East Africa and Uganda (Currency) Order in Council, FO 881/8349 TNA. The 1905 (Currency) Order in Council also sanctioned, for the first time, the introduction of paper notes.

177 Great Britain reverted to the decimal system only in 1971, whereas India in 1957. See Adrian E. Tschoegl, "The International Diffusion of an Innovation: The Spread of Decimal Currency," *Journal of Socio-Economics* 39 (2010), 100, 105.

178 Ibid., 105; James Powell, *A History of the Canadian Dollar* (Ottawa: Bank of Canada, 2005), 24.

179 Tschoegl, "The International Diffusion," 107; Italian, Belgian, and French colonies used a decimal system.

180 The opposition of British business communities to the creation of distinct colonial currencies was quite common in the empire, as it was believed that the adoption of the sterling reduced intra-empire transaction costs. See Helleiner, "The Monetary Dimensions of Colonialism," 9.

181 The exchange rates were: 5 cents: 3.2 pice; 2 cents: 1.28 pice; 1 cent: 0.64 pice; half-cent: 0.32 pice. See Charles Bowring, "Memo on the Question of introducing into East Africa and Uganda the Ceylon Central System of Subsidiary Coinage," Mombasa, 24 June 1903, FO 2/956 TNA. In the following years, this caused several problems in the circulation of cents.

182 *The East Africa Standard*, 8 April 1905. The author refers to the East Africa Protectorate, where cents were also introduced.

cent to ten shells, and one-tenth of a cent to one cowrie. Is it evident that the new monetary system mirrored the existing one based on cowries and was modeled on the way in which shells were counted.

Soon, however, the British realized that it was impractical and uneconomical to mint any coin that could compete with the cowrie.[183] The costs for minting one–tenth cent coins at the Royal Mint, shipping them to the East African coast, and carrying them overland by railway to Uganda were too high to make these coins profitable in any way.[184] The currency policy had to be re-adjusted, showing once again the problematic nature of currency control.[185] To replace the one-tenth cent, a new (Currency) Order in Council was issued in 1906 that introduced the half-cent coin.[186] This coin, however, was not very popular and failed to replace the cowrie. Shells were still circulating well into the 1910s, without any strong opposition from the government. The problems with cowries remained, though, a common subject in official correspondence among local officers. In 1910, for instance, the district commissioner of Bunyoro asked the chief commissioner if the government could purchase cowries, as the local value of the shell had dropped to three hundred cowries to the rupee and traders in town and in the market were refusing to accept cowries.[187] Despite the 1901 ban, the government had still to intervene to buy cowries in order to keep their value artificially high.

As Ofanogoro has shown in the case of Nigeria, colonial money could not totally replace local currencies until the regional economy in which they were used was transformed and its structure changed.[188] In Uganda, the colonial monetary system gradually converged into different systems of value and monetary practices. The adoption of cents in East Africa was favored in the years following the early 1900s as a result of the introduction of saleable crops, especially cotton, and by the colonial government's policy encouraging the payment of wages in coins instead of in tax tickets.[189] Before the outbreak of the First World War, the increase in the demand for imported items like lamps, bicycles, blankets, enameled wares, and European-style clothes also promoted the use of colonial money. When the so-called East African Rupee Crisis erupted in 1919, and the currency in Uganda was changed again, the administration realized that many more Africans had

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[183] The same situation happened in Nigeria. See Ofonagoro, "From Traditional to British Currency," 650.

[184] Deputy Master of the Mint to Colonial Office, 14 September 1905, CO 536/2 TNA.

[185] Herbst, *States and Power*, 206.

[186] Sadler to Lyttelton, 5 August 1905, CO 536/2 TNA; see also MINT 20/26 TNA. This coin was minted especially for Uganda and not for the East Africa Protectorate. See A.E. Booty, "Memorandum," 4 November 1909, T 11230 TNA.

[187] District commissioner/Unyoro to Acting Chief Commissioner/Unyoro, 21 July 1910, A 46/331 UNA.

[188] Ofonagoro, "From Traditional to British Currency," 654.

[189] Lukiiko Record Books, 7 June 1905, UGA 9 MHA.

European-style clothes, whose pockets were now full of cents, and especially one–cent coins.[190]

Conclusion

The persistence of the circulation of cowries in the colonial period suggests the continuing relevance of autonomous economic and social spaces that contradicted the colonial intention of achieving a stable and consistent circulation of its currency in the colonial space.[191] The adoption of a *longue durée* perspective shows that the introduction of metal currencies during the colonial period was just one of many "currency revolutions" that characterized the monetary history of Uganda. With the introduction of a new currency, the British introduced new terms and conditions of exchange in a system in flux to which local societies were already accustomed.[192] A lack of studies on the monetary history of Uganda and East Africa as a whole has produced an assumption of rapid colonial monetization, with devastating effects on the societies involved. However, as in West African "currency revolutions," this was a nuanced and prolonged transition, whose effects were negotiated and absorbed over time. The monetary transition of the colonial period was not an encounter of mutually exclusive forces, but rather the result of the connection between old ideas about wealth and contemporary realities of the colonial situation.[193] The imposition of colonial rule created new pluralities, in which existing currencies continued to be used but also acquired new functions, whereas the rupee only mediated certain kinds of transactions, especially the economic relationships between the colonized people and the colonial state and economy.

As Hopkins has pointed out, Africans were ironically more open to currency changes than Europeans, and, when currency changes occurred, the most potent and effective agents of change were Africans, themselves.[194] The increased variety and mobility of currencies generated by the imposition of colonial rule did not result in the adoption of outside notions of wealth, but rather became critical instruments with which to negotiate values and create new forms of wealth in a period of change. Looking at the ways in which new currencies were incorporated into economic practices in the framework of a long-term process of change highlights the dynamism of African monetary practices. The case of Uganda points towards an interpretation of the monetary history of Africa over the long period as a series of mutual adjustments, in which local ways of handling, counting, and storing money often significantly contributed in shaping the outcome of the process.

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[190] Parliamentary Minutes, 2 June 1921, India Office Record, British Library. The demand for and circulation of small-denomination coins testifies the increased economic importance of small traders and producers. See Hopkins, *An Economic History*, 150.

[191] Mwangi, "Of Coins and Conquest," 777.

[192] Saul, "Money in Colonial Transition," 74.

[193] Neil Kodesh, "Renovating Tradition: The Discourse of Succession in Colonial Buganda," *International Journal of African Historical Studies* 34, 3 (2001), 540.

[194] Hopkins, "The Creation of a Colonial Monetary System," 131; Hopkins, *An Economic History*, 206.