

SST LESSON 19 NOTES AND ACTIVITY.

EUROPEAN TRADERS IN AFRICA/TRADE/ CHARTERED COMPANIES.

Def.

- Chartered companies were European trade companies that were given permission/permits to trade by European countries.
- Chartered companies were European trade organizations from Europe that were allowed to trade on behalf of their home countries.
- Charters were letters / Permits letters of concession that granted authority to trade companies to operate in particular areas.

Note

Trade companies were also called Chartered companies.

Why European trading companies came to Africa

- To get market for their home goods.
- To get raw materials for their home industries.
- To invest their surplus capital (land for their economic activities).
- To promote legitimate trade.
- To defend their countries' colonial interests in Africa.
- To rule/administer colonies on behalf of their home governments.

Examples of Chartered /trade companies in Africa.

IBEACO - Imperial British East Africa Company.

GEACO - Germany East Africa Company.

R.N.C - Royal Niger Company.

BSACO (BSA) - British South Africa Company.

COMPANY	FOUNDER /LEADER	REGION OF OPERATION	COUNTRY OF ORIGIN
IBEACO	William Mackinnon	East Africa	Britain
GEACO	Carl Peters	East Africa	Germany
BSAC	Cecil Rhodes	South Africa	Britain
RNC	George Goldie	West Africa	Britain

FORMATION OF IBEACO

- William Mackinnon was the founder of IBEACO.
- Capt.Fredrick Lugard was the British representative of IBEACO in East Africa in 1890.
- The headquarters of IBEACO were established in Mombasa.

Reasons for formation of IBEACO

- To promote legitimate trade.
- To protect missionaries.
- To defend British colonial interests in East Africa.
- To stop slave trade in East Africa.

Why IBEACO withdrew her activities in East Africa.

- IBEACO ran bankrupt (shortage of funds)
- IBEACO lacked man power/ shortage of labour force.

Why IBEACO ran bankrupt.

- IBEACO lacked a reliable source of income.
- IBEACO employed expensive workers.
- IBEACO fought many wars.
- IBEACO was not supported by her home government.
- Due to over spending on her activities.

Achievements of IBEACO

Qn. How did IBEACO contribute to the development of East Africa?

- IBEACO promoted trade
- IBEACO protected missionaries
- IBEACO protected legitimate traders
- IBEACO administered Uganda and Kenya on behalf of the IBEACO/ Britain.
- IBEACO defended British interest in East Africa
- IBEACO stopped slave trade in East Africa
- IBEACO blocked any other foreign (colonial) influence in East Africa.

Contributions of F.D Lugard

- He signed treaties with local chiefs and kings i.e;
- 1890- kabaka Mwanga

- 1891- Omukama Kasagama
- 1891 Omugabe Ntare (Ankole)
 - He introduced indirect rule in Uganda
 - He helped Omukama Kasagama to restore his throne
 - He helped to stop religious wars in Uganda.

- **GEACO Germany East Africa Company.**

- GEACO in full form is Germany East Africa Company.
- GEACO was founded by Carl Peters a German colonial administrator.
- GEACO operated in Tanganyika/Tanzania.

Reasons for the formation of GEACO

- To carry out trade on behalf of the home country.
 - To protect legitimate traders
- To promote legitimate trade
- To administer Tanganyika on behalf of Germany
- To defend Germany interest in Tanganyika

Contributions of Carl Peters to the development of Tanzania.

- He established German rule in Tanganyika
- He founded GEACO

Qn Why did German Colonial government take over the administration of Tanganyika from GEACo?

- To construct the railway .(Tanga - Karagwe railway)
- To strengthen their position in East Africa.

Problems faced by trade companies in Africa.

- Shortage of funds
- Poor transport and communication
- Resistance from African natives
- Shortage of skilled labour force
- Limited financial support from their home countries/ governments.

Effects of European Traders/Trading companies in Africa.

QN How did the coming of European traders affect the development of Africa?

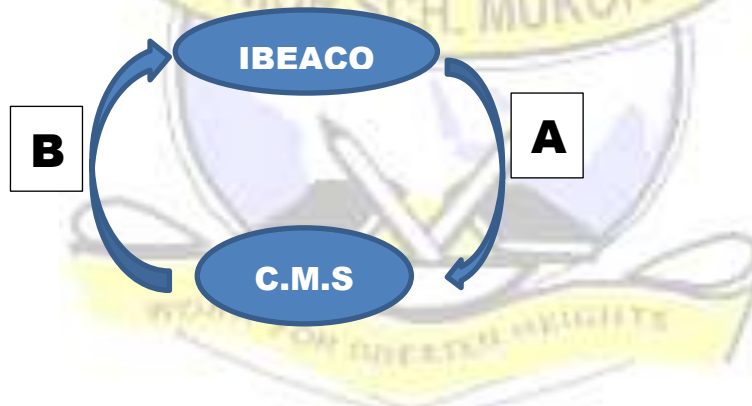
- ❖ They introduced new trade items.
- ❖ They linked Africa to Europe.
- ❖ They opened Africa to external trade.
- ❖ They exploited Africa's resources.
- ❖ Created market for Africa's goods.
- ❖ Created jobs for Africans.

Qn: How did industrial revolution in Europe affect Africa?

- ✓ It led to the coming of European traders to Africa.
- ✓ It led to exploitation of Africa's resources.
- ✓ It led to introduction of new trade items in Africa.

ACTIVITY

1. Name any two trading companies that operated in Africa.
i).....ii).....
2. Write the following in their full form;
i) IBEACO.....
ii) BSACO
3. Why did Britain and Germany permit trade companies to operate in Africa long ago?
i).....ii).....
4. The diagram below shows how IBEACO related with C.M.S. Study it carefully and answer questions that follow.



- a) What do the following letters represent in the relationship between IBEACO and C.M.S?
 - i. A
 - ii. B.....
- b) Name the British official who;
 - i. Received help from
C.M.S......
 - ii. Handed over/ gave help to
IBEACO.....