

fertile uplands. Difficulties were experienced with several of the indigenous tribes, but the region was opened up with relatively little bloodshed.

The gradual improvement and expansion of agriculture accompanied by growing exports of many high-grade agricultural products continued, with certain temporary setbacks, until 1960. At that time uncertainty about the political future caused some Europeans and Asians to export capital or to hold back investments and a period of relative stagnation followed. More recently there have been signs of a mild upswing in the economy. The army mutiny of January 1964, following similar actions in Tanganyika and Uganda and the revolt in Zanzibar, dealt another, hopefully short-term, setback to confidence.

In general the economic structure has been three-tiered. At the top were a small number of Europeans. Asians in the middle have dominated retail trade and skilled and semiskilled jobs. The Africans, mostly unskilled laborers, have been at the bottom. This situation is changing rapidly as education for Africans is increased and as the Government pursues a rapid policy of "Africanization."

Kenya has meager mineral resources, but secondary industries have developed rapidly, especially in the processing of agricultural raw materials. A major change in land policy occurred in 1960 when settlement programs for Africans began in the so-called White Highlands, which up to then had been reserved for Europeans. Nevertheless, land hunger still exists.

Now independent, the Government must meet the rising tide of expectations and cope with poverty, unemployment, and land hunger.

COMMERCE

In 1962 total imports were valued at \$195 million and exports at \$106 million. Chief imports consisted of petroleum products, machinery, metal manufactures, motor vehicles, transport equipment, and textiles. Principal Kenya exports are coffee, tea, sisal, pyrethrum, meat and dairy products, sodium carbonate, and various grains, fruits, vegetables, and nuts. The United Kingdom is the leading source of supply of Kenya's imports and the largest purchaser of its exports. The United States is an important supplier of machinery, automotive vehicles, and petroleum products. Principal exports to the United States are pyrethrum (for insecticides), wattle extract, sisal, coffee, and hides and skins. Imports from the United States in 1962 totaled \$18.5 million, exports to the United States were valued at \$10.6 million.