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NAUS (*Henricus Jules Edgard* or *Henri*) (*Bey*),
Industrialist (Hasselt, 27.03.1875 – Brussels, 22.09.1938).

Henri Naus was the son of Joseph Naus, a civil servant of the Ministry of Finance, who, with other Belgians, was engaged in 1898 by the Shah of Persia to reorganize his customs system and postal administration. In

1901 Joseph Naus was even appointed to the Shah's cabinet as Minister of State, soon thereafter assuming additional responsibilities for posts and telegraphs, as well becoming chief treasurer. However, the Constitutional Revolution abruptly ended his career in 1907, and he subsequently returned to Belgium [1]*. Curiously, also the career of his son Henri is connected to the

* Numbers in brackets [] refer to the notes at the end of the text.

economic history of the Middle East — to Egypt in his case.

Not much is known on Henri's early formal education, but at some stage he may have taken courses in chemistry. Around 1893 he was sent to the Dutch East Indies where he worked in the Gending sugar factory in Kraksaan, near Probolinggo on Java. There he attained a high level of expertise, participated in sugar congresses, and published the first of a number of articles on sugar production in professional journals.

Nevertheless he left Java, and in 1902 arrived in Egypt, an autonomous province of the Ottoman Empire, but since 1882 de facto under British occupation. Political and economic conditions in the Land of the Nile appeared to ensure economic progress and stability (with the so-called Capitulations, with a Mixed Courts' system, and liberal legislation on stock companies, all of which especially favoured foreigners). This was an era of an influx of foreigners from European as well as Mediterranean countries, not only capitalist investors, but also professional experts and technicians.

The Belgian community in Egypt never counted more than a few hundred residents, but investments by Belgian companies and private entrepreneurs ranked third only after French and British interests in that order. Best known are the activities of Baron Empain, who built tramways and created the suburb Heliopolis, today a northern quarter of Cairo. Other investments were directed at agricultural and real-estate development companies, banking, hotels, breweries, and some general trade ventures.

Henri Naus' engagement in 1902 by the *Société générale des Sucrieries et de la Raffinerie d'Égypte* coincided with important changes in the structure of what was a gigantic company at the time. Being the outcome of several corporate mergers, it operated (at most times) nine sugar factories in Upper Egypt as well as a modern, large refinery in Hawamdiyya near Cairo. It was probably the largest single private employer in Egypt at the time, with fifteen thousand to thirty thousand workers being dependent on it (many seasonal workers). The company's capital at the time was still mainly French, with some local Jewish shareholders (e.g. the Suarez brothers), but the company's *siège social* was located in Cairo.

Ever since the Khedive Isma'il's had founded his sugar factories (after the cotton boom due to the end of the American Civil War), the sugar-cane branch had led a precarious economic existence. Isma'il's indebted factories had been taken over by the Daira Sanieh sugar corporation, which later became part of the *Société générale*. Fluctuations on the world market, free-trade principles which exposed the Egyptian company to

competition with sugar producers abroad and with cotton cultivators locally, and, in general, transport logistics, climatic conditions, plant diseases and other difficulties in raising the sensitive sugar plant often raised questions of viability. The survival of the sugar-cane production branch in Egypt may, at least to some extent, be credited to Henri Naus.

Henri Naus started his career at the sugar factory of Shaykh Fadl in Upper Egypt, but his professional knowledge and management abilities soon brought him to the head office in Cairo, where he became director general in 1905. Maybe also two strikes of luck worked to his advantage: Naus had experimented with a new variety of sugar cane, the POJ 105 which he had imported from Java with the help of his cousin Albert Ceyssens (who would also remain involved in the Egyptian sugar company). This sugar-cane plant did surprisingly well in Egypt, and would in the following years even justify the construction of an additional modern sugar factory in Kom Ombo near Aswan. This particular variety of sugar cane became obsolete only in the 1960s.

Secondly, in 1905, the *Société générale des Sucrieries* sank into a profound crisis following the suicide of Ernest Cronier, *le roi des sucres*, and the ensuing bankruptcy of the French mother company Henry Say et Cie. After arduous negotiations with the shareholders, the Egyptian company was nevertheless saved and reconstituted with Henri Naus as its director general and with (later Sir) Victor Harari Pasha, a former servant of the Egyptian Ministry of Finance at his side. Before reaching stability, however, another severe financial crisis in 1908 had to be staved off.

Around World War I Naus' reputation had become well known. Being well connected also to the Khedivial Court, he received the honorific *Bey* and was appointed a member of the ad hoc Committee of Commerce and Industry, the report (1918) of which made an important contribution to post-war economic thought. It marked the gradual transition from the (British-dominated) era of free trade to more protectionist policies which were meant to encourage local industrial ventures. The committee was chaired by Sidqi Pasha; though highly controversial as prime minister (1930-1933), this relationship with Sidqi was probably a great asset for Naus.

Still, it may be said that the sugar company, which exercised a virtual monopoly on the Egyptian market, at least with regard to white and refined sugar, was able to make large profits in World War I, and remained strong also afterwards.

In 1922 Henri Naus was among the founders of the Federation of Industries (then still Association of Industries). Typically for that epoch and the infant stages of industry, the majority of the founders were foreign

residents in Egypt (e.g. the Italian ceramics manufacturer Sornaga, the Greek entrepreneur Salvago, and the Swiss Gasche of the *Filature Nationale*) — joined initially by only two local Egyptian industrialists. Gradually, however, the Federation was increasingly joined by indigenous Egyptian manufacturers and entrepreneurs (almost four hundred in 1938). Naus as its president proved himself an ardent protagonist of Egypt's industrialization (see his programmatic speeches [2]).

His major achievement in this function may be said to have been the new customs' tariff which was enacted in 1930, and which offered (moderate) protection to local industry. It is certainly also true that his sugar company was the beneficiary of an extraordinarily favourable tariff rate. The presidency of the federation passed into Egyptian hands after Naus' death, but it survived the 1952 Revolution, albeit in a government-dominated form.

The position of the sugar industry, however, remained precarious, and it was argued that it could survive only in a protected economic environment. In 1931 a sort of *Régie* with more government control over the sugar company was negotiated, which definitely stabilized its economic future. Consumer prices of sugar had been criticized as early as World War I, but the later discourse against 'monopolies' (meaning companies benefiting foreigners) became part and parcel of the Nasirist Revolution. It would seem that from the 1930s onwards the majority of shares in the sugar company gradually passed into Egyptian capitalist hands (e.g. the Greek family Cozzika, owners of a large alcohol distillery in Tura). But soon, the rising tycoon Ahmad 'Abbud Pasha became the main shareholder and subsequently served as its director general for a few years after Naus' death (who was first succeeded by his son Hugues, dead in 1941), till the company was at last sequestered by 'Abd al-Nasir in 1955.

Meanwhile, Henri Naus, who had come to Egypt as a mere technical employee, had risen to become involved as a director in a number of other large share-holding companies in Egypt, some with interlocking industrial and agrarian interests. He was on the board of the mighty (French-dominated) *Crédit foncier*, and the (mainly local Jewish-owned) Wadi Kom Ombo land development company. He was also involved in the *Société des Eaux du Caire*. Of those companies which represented Belgian capital, the powerful *Banque belge et internationale*, of which he was vice-president, ought to be mentioned, as well as Empain's Cairo Electric Railways & Heliopolis Oases Company.

Naus had been active on an altruistic level: already before World War I, he had been requested by the later

King Fu'ad to assume the presidency of the Red Crescent, and he became the leading force behind the *Association internationale d'Assistance publique*, a pioneering voluntary first-aid organization. He served also on the advisory board of the Egyptian University (subsequently Fu'ad I University and today Cairo University). Apart from being a pivotal figure in the Belgian community in Egypt, he was also a founder and leading force of the *Fondation Elisabeth*, like so many contemporaries being fascinated with Egypt's Pharaonic past.

Henri Naus suddenly died while on a periodic visit to Brussels in 1938 and was lauded as one of the most prominent Belgians in Egypt. He had received decorations from many countries. As a matter of fact, he had often spoken of Egypt as his *pays d'adoption*, and though he had always remained part of the foreign residential elite (speaking only a few words of Arabic), he often took a seemingly pro-Egyptian stand, supporting even the Anglo-Egyptian treaty of 1936. This, however, reflects his tragic biography. Like so many other foreign residents in Egypt, he was overtaken by changing political conditions. Though his reputation in Egypt lived on for some years, and even a street in Cairo was named after him, the Nasirist Revolution threw him into relative oblivion.

11 February 2002.

U. M. Kupferschmidt [3].

Notes:

[1] A. Destrée, *Les fonctionnaires belges au service de la Perse, 1898-1915*. Leiden, Bibliothèque Pahlavi, 1976.

[2] H. Naus Bey, *Recueil des discours prononcés à la Fédération égyptienne des Industries*. Le Caire, 1939.

[3] U. M. Kupferschmidt, *Henri Naus Bey: Retrieving the Biography of a Belgian Industrialist in Egypt*. Brussels, *Mém. Royal Academy for Overseas Sciences*, 52 (2), 1999.