

various ways, to assist in the progress of the others.

5. The thorough training and keenness on progress exhibited by the various employees of these firms. Although these men were undoubtedly not as well remunerated as similar officials in our own business concerns in the Protectorate such correspondence of theirs as I have been compelled to peruse breathes a keenness, loyalty and enthusiasm for the progress of the firm and incidentally of ambition for their own advancement which I cannot say I have as frequently observed with our own nationality.

I trust that the system of long credit in the bazaar will never be re-introduced. It is not needed by the better class of trader whilst it encourages the poorer class to dispose of goods hurriedly and indulge in commercial speculation which is <sup>as</sup> likely to lead to loss for his creditor as profit for himself. The irony of the fact is that British Banks are now creditors for a great part of the very funds with which the German firms were ousting our own merchants by their long credit system. The German Banks, possibly with some Government guarantee or support to rely on had apparently no hesitation in endorsing documents (covering shipments) over to an English Bank and the English Bank in turn felt justified in discounting on the strength of the foreign Bank's endorsement. In this way it is possible that a foreign firm of weak standing might obtain greater facilities from an English Bank than one of our own firms of better standing. In one case at any rate I feel sure that

that the system of financing by drafts drawn on a branch by head office and discounted, carried on by an enemy firm would not have been approved by the English bank if no foreign endorsement had been offered.

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The records of the local branches of the enemy firms did not show the names of the manufacturers of the imported goods. Only in certain cases where claims from British and Neutral firms were received was it possible for me to obtain this information. I have endeavoured since my arrival in the Protectorate to assist in every way possible, the British merchants to capture the import trade formerly held by the firms I have liquidated. Up to the present a considerable part of the trade has undoubtedly gone to Neutral firms, chiefly because the particular brands of goods imported were made in the Neutral territories. At any rate I trust that it will be possible in the near future to capture this trade by goods of British or Allied manufacture and to ensure that the enemy interest in the trade of this Protectorate in the future shall be as insignificant as our interest in the trade of German East Africa was in the past.

I have the honour to be,  
Your Excellency's obedient servant

SD/- ERNEST ADAMS

Liquidator of Enemy Aliens.



he is gaining in that country, added to that which he has already gained as Liquidator of Enemy Firms in <sup>the</sup> East Africa, must give him a very valuable insight into the methods and channels of the trade of enemy firms before the war, and the manner in which British firms can best secure business formerly in the hands of the enemy firms.

Mr. Long would suggest that the Board of Trade might consider whether Mr. Adams should not be borne in mind as a possible candidate for appointment as Imperial Trade Commissioner for East Africa. The letter from Mr. Adams, of which a copy is enclosed, shows that he was willing to offer his services for an appointment of this nature, if as he recommended such an appointment is ultimately made.

I am, etc.,

(SD)

LONDON WALL 413 (5 Hnes).  
"ADVANTAGE, STOCK, LONDON."



S.R. 2a  
please  
attach

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BOARD OF TRADE,

DEPARTMENT OF COMMERCIAL INTELLIGENCE,

73, BASINGHALL STREET,

LONDON, E.C.2.

7th November 1917.

My dear

Dear Mr. Tennyson,

Do you remember the inter-departmental report relating to the liquidation of enemy firms in the Colonies, which contains a disquisition on the methods of German trade in Hongkong, including the long credit system and the assistance given by London accepting houses?

I should be very grateful if you could have a copy of the report sent to me here. Also, could you get for me a copy of the report on the liquidation of enemy firms in East Africa supplied by Mr. Adams? It reached the Colonial Office very shortly before I left.

I am sorry I did not see you before I actually came away for good, but we shall run

Downing Street,

16 November, 1917

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into one another at odd times no doubt. For instance we have not finished yet with the Colonial Blue Books.

Yours ever,

F. G. A. Butler

G. Tennyson Esq., C.M.G.  
Colonial Office,  
W. 11.

My dear Butler,

I am sorry that your letter of the 7th of November has been so long unanswered, but I have been at the Federation of British Industries for three days and there has consequently been delay in getting the documents for which you asked. I now enclose a print of the Inter-departmental Committee's report on the Liquidation of Enemy Firms and a typewritten copy of Mr. Adams' Report on the Liquidation of Enemy Firms in East Africa.

We missed you at the Blue Books Committee the other day.

I go to the Federation more or less completely on Monday.



BOARD OF TRADE,

DEPARTMENT OF COMMERCIAL INTELLIGENCE,

73, BASINGHALL STREET,

LONDON, E.C.2.

27th November, 1917.

My dear Bottomley,

A week or two ago the Colonial Office sent to the Board of Trade a copy of Mr. Adams' report on the liquidation of enemy firms in the E.A.P. and suggested that Mr. Adams was a likely man for an appointment as a Trade Commissioner in that part of the world. The Colonial Office did not send with their letter a record of Mr. Adams' experience prior to his appointment as Liquidator of enemy firms. I know that there is such a record in existence at the Colonial Office; I believe in some letter from the Crown Agents, who were concerned with his original appointment. Could you be so good as to get <sup>out</sup> it, and send me a copy of it here, that we may consider him seriously for the appointment of Trade Commissioner in East Africa when it is created?

The Colonial Office letter to the Board of Trade is

Bottomley Esq.,  
COLONIAL OFFICE,  
S. W. I.

*Duplicate of 36577*  
*Copy of form sent to*  
*Mr Butler*  
*6/11*  
*29.11.17*

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No. 49979 of 7th November.

Yours ever,

G. A. Butler

(Many thanks for the diary)

phone: VICTORIA 8630 (8 Lines)  
grams: "CAMOUS, VIC. LONDON."



WAR TRADE INTELLIGENCE DEPARTMENT,

1, LAKE BUILDINGS,

SANCT JAMES PARK

(near Storey's Gate),

CROWN A. WESTMINSTER, S.W. 1.

THE CHAIRMAN  
Reference: A.V.L. 78648. See

28 MAR 1918  
FOR THE COLONIES

The Chairman of the War Trade Intelligence Department presents his compliments to the Crown Agents for the Colonies and would be glad if a copy of the undermentioned report could be sent to this Department.

A confidential report by Mr. Ernest Adams, Liquidator of Enemy Firms, British East Africa, dealing with Germans pre-war trading in that Protectorate.

STW

The Crown Agents for Colonies  
4, Millbank,  
Westminster,  
London.

*Colonial Office*  
Have you a copy of the report?  
Please refer to what the report is  
sent, or unless we refer to  
S. & A. for it, please  
[Signature]