

1925

E. AFRICA
GENERAL

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FROM

Allen J. Sanderson
H.P.

DATE

14th July, 1925

21

FOR CIRCULATION —

Mr.
Mr.
Mr.

Barrening of brown lands in
Tropical Africa

Asst. U.S. of S.

calls attention of G. of S. to the views
held by the Association of British
Chambers of Commerce on — for the
service of a possible loan.

Perm' U.S. of S.

Part' U.S. of S.

Secretary of State.

Previous Paper

see M. 1. 1924/7

Gen'l

MINUTES

when
registered for record

Ans. 22nd
July, 1925

Mr. Ormsby-Gore.

I have looked up the paper M.L/18247/10 Gen. with the office minutes in connection with the occasion of the deputation in July 1910 to which reference is made. The minutes by Sir G. Fiddes, Lord Southborough (then Sir F. Hopwood) and General Seely are highly undcomplimentary to the important body represented on the deputation! Lord Crewe got out of it with some general remarks. The fact is, that the Chamber of Commerce were (and apparently still are) unaware of the conditions in Africa. They have the old notion that because a Colony is a British possession all the land actually belongs to "The Crown", and can be seized for the benefit of the British taxpayer. They even apply this in the case of Protectorates. If there was any idea of asking the British taxpayer to pay £10,000,000 out of taxation to develop wildernesses in East Africa, there might be something to say for giving him some sort of pledge or guarantee. But the basis of the £10,000,000 loan is that we have sufficient faith in the future of the territories, based upon a knowledge of their capabilities, to convince us that the best guarantee is the great increase in prosperity and purchasing power which will result from the expenditure. Of course there are no "Crown Lands" in Tanganyika, very few of any value available in Kenya, and (I think) none worth mentioning in Uganda.

W. Edgcombe

July 17. 25

H. Edgeworth

off. letter

14th July, 1925

The Right Hon.,
L.S. Amery, M.P.,
Secretary of State
for the Colonies
House of Commons
S.W. 1.

33735
24 JUL 25

Dear Amery,

Referring to my conversation with you and Ormsby Gore yesterday in regard to the Resolution of the Association of British Chambers of Commerce supporting the recommendation of the Commission to raise a loan for Transport Development, I would like again to call your attention to the point which was fully discussed at our meeting before the Resolution was passed - namely - the question raised by a deputation to the Colonial Office on the 12th July 1910 and reaffirmed with some extensions at the General Meeting of the Association in March 1911 and set forth in detail in the inclosed report: see page 14 and page 108.

The point being, that some provision should be made for the reservation of Crown lands in return for any expenditure from the National Exchequer for the development of the Colonies with a view to reimbursing in the future such outlays and providing that a share of any possible future increment from such expense for development shall be for the benefit of taxpayers in this country.

It is fully realised that a loan of the nature indicated in the report is rather different *but* and it is felt desirable that your attention should be called to the views which have been held and are still maintained by the Association on this subject.

Yours sincerely

Edgeworth

James Allen M.P.

Mr. Strackey.

Sir J. Shackburgh.

Sir C. Davis.

Sir G. Grindle.

Sir J. Masterton Smith.

Mr. Grimsby-Gore. 20/7

Mr. Amery.

Q'to for Secretary of State's signature.

July, 1925

DRAFT.

SANDEMAN ALLEN ESQ.
M.P.

Dear Sandeman Allen,

Many thanks for your letter of July 14th regarding the possible earmarking of Crown lands in Tropical Africa for the service of a possible loan. There are no Crown lands in Tanganyika, and very few of any value available in Kenya - conditions in Africa are very different as regards the system of land tenure from what they are in Canada or Australia, ^{and} development loans are secured primarily on the transportation systems and secondly on the general revenues of the territory to which of course land revenues of various kinds contribute. We have now sufficient experience of railways in East and West Africa to convince us that the best guarantee is the

great increase in production, prosperity and purchasing power that results from such expenditure. Under the plan proposed by the

East Africa Commission the Imperial Treasury will not be called upon to find the capital in cash but merely to guarantee the interest.

The guarantee will only become operative in fact during the initial period of construction, and thereafter any amount advanced by way of interest under the guarantee will be repayable. In West

Africa the Colonies can raise their own loans and there is no necessity for any advance from Imperial revenues. This difference arises from

the fact that the West African Territories being "Colonies" have the benefit of the Colonial

Stock Acts which Tanganyika, Uganda, Nyasaland and Northern Rhodesia, which are either Mandated Territories or Protectorates, do not have at present, and from the fact that their development is further advanced.

Yours Sincerely,